

OFFERING CIRCULAR



**Haitong Investment Ireland p.l.c.**

*(incorporated with limited liability in Ireland)*

**Haitong Bank, S.A.**

*(incorporated with limited liability in the Republic of Portugal)*

*(acting through its head office or its London branch)*

**€2,500,000,000**

**Euro Medium Term Note Programme**

**with the benefit of a  
Keep Well Agreement  
provided by**

**Haitong Bank, S.A.**

Under this €2,500,000,000 euro medium term note programme (the "**Programme**"), Haitong Investment Ireland p.l.c. ("**HIIP**") and Haitong Bank, S.A. ("**Haitong Bank**") and, together with HIIP, the "**Issuers**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer of such Notes (the "**Relevant Issuer**") and the Relevant Dealer (as defined below). This Offering Circular (the "**Offering Circular**") supersedes all previous offering circulars. Any notes issued under this programme on or after the date of the Offering Circular are issued subject to the provisions described herein. This does not affect any notes issued before the date of the Offering Circular.

**The Notes issued by HIIP (the "HIIP Notes") will not be guaranteed by Haitong Bank but HIIP has the benefit of a keep well agreement dated 21 June 2016 (as amended and/or supplemented and/or restated from time to time) (the "Keep Well Agreement") and made between HIIP and Haitong Bank, the text of which is set out under "Keep Well Agreement".**

**HIIP has assigned its rights under the Keep Well Agreement by way of security to Citicorp Trustee Company Limited (the "Trustee") for the benefit of the holders of HIIP Notes as security for payment of principal, interest and other amounts payable in respect of such Notes.**

Issues of Notes by Haitong Bank (the "**Haitong Bank Notes**") will be issued through its head office or its London branch, as specified in the Applicable Transaction Terms (as defined below)

**The purchase of Notes (and, in particular, those Notes linked to one or more Reference Assets (as defined on page 60)) involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Offering Circular (see "Risk Factors").**

On 24 September 2015, Haitong Bank's rating was reinstated at a rating of BB- (long term debt) and B (short term debt) by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). HIIP's Senior Unsecured bonds' rating was reinstated by S&P at a rating of BB-, HIIP benefiting from the Keep Well Agreement executed with Haitong Bank and being a wholly owned subsidiary of Haitong Bank. S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). Notes to be issued under the Programme may be rated by either of S&P, Moody's Investors Service Ltd. or Fitch Ratings Limited and the rating of any tranche of Notes will be specified in the Applicable Transaction Terms. Each of Moody's Investors Service Ltd. and Fitch Ratings Limited are established in the European Union and registered under the CRA Regulation. In addition, this Offering Circular contains references to credit ratings granted by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and Moody's Investors Service Inc. ("**Moody's**") each of which are not established in the European Union and not registered under the CRA Regulation. Please also refer to "*Risks related to the market generally - Ratings of the Notes*" in the Risk Factors section of this Offering Circular. **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

*Dealer*

**Haitong Bank, S.A.**

The date of this Offering Circular is 21 June 2016.

The Offering Circular constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") as amended (which includes the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**")) for the purpose of giving information with regard to the Notes under the Programme during the period of twelve months after the date hereof.

The Offering Circular has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Directive. The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of The Irish Stock Exchange plc (the "**Irish Stock Exchange**") or other regulated markets for the purposes of Directive 2004/39/EC of the European Parliament and of the Council (the "**Markets in Financial Instruments Directive**") and/or which are to be offered to the public in any member state of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List (the "**Official List**") and trading on its regulated market.

The Relevant Issuer (as defined below) may request the Central Bank, in accordance with Article 18 of the Prospectus Directive, to provide to the relevant competent authority of Portugal, the United Kingdom and/or, such other competent authorities as it may require, from time to time, with a certificate of approval attesting that the Offering Circular has been drawn up in accordance with the Prospectus Directive.

Application may also be made to the United Kingdom Financial Conduct Authority in its capacity as competent authority (the "**UK Listing Authority**") for Notes issued under the Programme to be admitted to the official list of the UK Listing Authority (the "**UK Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's regulated market (which is a regulated market for the purposes of the Markets in Financial Instruments Directive), for the period beginning once the UK Listing Authority has been provided with a certificate of approval attesting that the Offering Circular has been drawn up in accordance with the Prospectus Directive until 12 months from the date of this Offering Circular.

Application may also be made to NYSE Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. ("**NYSE Euronext Lisbon**") for the Notes to be admitted to trading on the *Mercado de Cotações Oficiais* (the official listing market of NYSE Euronext Lisbon), a regulated market managed by NYSE Euronext Lisbon. NYSE Euronext Lisbon is a regulated market for the purposes of the Markets in Financial Instruments Directive.

The Programme also permits Notes to be issued on an unlisted basis or to be admitted to trading on the Global Exchange Market operated and regulated by the Irish Stock Exchange ("**GEM**"). GEM is not considered to be a regulated market for the purposes of the Prospectus Directive.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets as may be agreed between the Relevant Issuer, Haitong Bank (where the Relevant Issuer is HIIP) and the Relevant Dealer (as defined below).

The Offering Circular constitutes Base Listing Particulars (the "**Listing Particulars**") where Notes are to be listed or admitted to trading on GEM. Application has been made to the Irish Stock Exchange for the approval of this document as Base Listing Particulars. Application may be made for Notes to be admitted to the Official List and to trading on GEM.

Where Notes are to be admitted to trading on the regulated market of the Irish Stock Exchange (and/or (for the purposes of the Markets in Financial Instruments Directive) any other regulated market), the term "Offering Circular" should be taken to mean Base Prospectus and, where Notes are to be admitted to trading on GEM, the term "Offering Circular" should be taken to mean Base Listing Particulars as such term is defined in the Irish Stock Exchange's rules relating to GEM.

This Offering Circular comprises Listing Particulars for the purposes of giving information with regard to the issue of Notes having a maturity of less than 365 days as commercial paper of the Issuer under the Programme during the period of twelve months after the date hereof. References throughout this document to the "Offering Circular" shall be deemed to read "Listing Particulars" for such purpose. Application has been made to the Irish Stock Exchange for such Notes to be admitted to listing and trading on the Irish Stock Exchange's regulated market as commercial paper. The Programme provides that the commercial paper may be listed or admitted to

trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Relevant Issuer, Haitong Bank (where the Relevant Issuer is HIIP) and the Relevant Dealer (as defined below).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €2,500,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein. A description of the restrictions applicable at the date of this Offering Circular relating to the maturity of certain Notes is set out on page 94.

The Notes may be issued on a continuing basis to the Dealer specified under "*Overview of the Programme*" and to any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this Offering Circular to the "**Relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by one or more Dealers, be to all Dealers agreeing to purchase such Notes.

If so specified in the Applicable Transaction Terms (as defined below), application will be made on or, after the relevant date of issue, for the Notes to be listed and admitted to trading on the regulated market of the Irish Stock Exchange, and/or the London Stock Exchange, and/or the NYSE Euronext Lisbon (and/or (for the purposes of the Markets in Financial Instruments Directive) of any other regulated market). Details of the aggregate nominal amount, interest (if any) payable, the issue price and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be, with respect to Notes to be listed and admitted to trading on the regulated market of the Irish Stock Exchange, and/or the London Stock Exchange, and/or the NYSE Euronext Lisbon (and/or (for the purposes of the Markets in Financial Instruments Directive) any other regulated market), set forth in the Applicable Transaction Terms (as defined below) which, (i) with respect to Notes to be listed on the Irish Stock Exchange, will be delivered to the Irish Stock Exchange and/or the Central Bank, as required and/or (ii) with respect to Notes to be listed on the London Stock Exchange, will be published on the website of the London Stock Exchange through a regulatory information service (and/or in the case of Notes to be listed or admitted to trading on any other regulated market to such other stock exchange) and/or (iii) with respect to Notes to be listed on NYSE Euronext Lisbon, will be published on the website of NYSE Euronext Lisbon, on or before the date of issue of such Notes. Alternatively, in the case of Notes which are not to be (i) listed or admitted to trading on the regulated market of the Irish Stock Exchange, the London Stock Exchange, NYSE Euronext Lisbon or any other regulated market (but which may be listed and admitted to trading on the GEM), nor (ii) offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, details of the aggregate nominal amount, interest (if any) payable, the issue price and any other terms and conditions not contained herein which are applicable to such Notes will be set forth in a pricing supplement (a "**Pricing Supplement**"). In this Offering Circular, "**Applicable Transaction Terms**" means, in relation to each Tranche of Notes, the applicable Final Terms or Pricing Supplement.

Copies of the Applicable Transaction Terms will be available from the registered office of the Relevant Issuer and the specified office set out below of each of the Paying Agents (as defined below) save that, if the relevant Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the Applicable Transaction Terms will only be available for inspection by a Noteholder holding one or more of the related Notes and such Noteholder must produce evidence satisfactory to the Trustee or the relevant Paying Agent as to its holding of Notes and as to its identity.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Notes are being offered and sold by the Dealer outside the United States to non-U.S. persons in accordance with Regulation S of the Securities Act ("**Regulation S**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act.

**The Notes have not been approved nor disapproved by the U.S. Securities and Exchange Commission (the "SEC"), 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 Notes or the accuracy or adequacy of this Offering Circular. Any representation to the contrary is a criminal offense in the United States.**

All Notes having a term of less than one year sold outside the United States constitute commercial paper and are issued in accordance with an exemption granted by the Central Bank under Section 8(2) of the Central Bank

Act, 1971, inserted by Section 31 of the Central Bank Act, 1989, as amended by Section 70(d) of the Central Bank Act, 1997. The Notes do not have the status of bank deposits, are not within the scope of the Deposit Protection Scheme operated by the Central Bank and neither Issuer is regulated by the Central Bank arising from the issue of commercial paper.

The Issuer is not, and the Dealer is not, making an offer to sell the Notes in any jurisdiction where such offer or sale would be unlawful. The Notes are subject to restrictions on transferability and resale and may not be transferred nor resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration thereunder or exemption therefrom. Prospective purchasers should be aware that they might be required to bear the financial risks of an investment in the Notes for an indefinite period of time.

In the case of Notes held through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Interbolsa**") the Notes of each Tranche will be in dematerialised book-entry form (*escriturais*) and will either be bearer Notes (*ao portador*) or registered Notes (*nominativas*), as specified in the Applicable Transaction Terms. The Notes of each Tranche other than Interbolsa Notes (as defined in "*Form of the Notes*" below) will either be in registered form (the "**Registered Notes**") or in bearer form (the "**Bearer Notes**"). The issue of Interbolsa Notes shall be prior to the issue date registered in the Portuguese securities centralised system, *Central de Valores Mobiliários* ("**CVM**"), managed by Interbolsa.

Bearer Notes (other than Interbolsa Notes) will initially be represented by a temporary global Note (a "**Temporary Global Note**") or, if so specified in the Applicable Transaction Terms, a permanent global Note (a "**Permanent Global Note**" and, together with a Temporary Global Note, "**Global Notes**") which in either case will:

- (i) if the Global Notes are intended to be issued in new global note ("**NGN**") form, as stated in the Applicable Transaction Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (each a "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"); or
- (ii) if the Global Notes are not intended to be issued in NGN form, as stated in the Applicable Transaction Terms, be delivered on or prior to the issue date of the Tranche to a common depositary (each a "**Common Depositary**") for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system,

and which will be exchangeable, as specified in the Applicable Transaction Terms, for either a Permanent Global Note or Definitive Notes (as defined below), as applicable, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. Registered Notes may be delivered on or prior to the issue date of the Tranche to a Common Depositary for Euroclear and Clearstream, Luxembourg.

The Applicable Transaction Terms will specify that a Permanent Global Note either (i) is exchangeable (in whole but not in part) for Definitive Notes upon not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent (as defined below) or (ii) is exchangeable (in whole but not in part) for Definitive Notes only following the occurrence of an Exchange Event (as defined on page 102), all as further described in "*Form of the Notes*" below.

The Relevant Issuer may agree with any Relevant Dealer and (in respect of Notes other than Interbolsa Notes) the Trustee (as defined herein) that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplemental Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Each Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of each Issuer (each having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Subject as provided in the Applicable Transaction Terms, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the Dealer and the persons named in the Applicable Transaction Terms as the Relevant Dealer and the persons named in or identifiable following the Applicable Transaction Terms as the Financial Intermediaries, as the case may be.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

None of the Dealer (or any Relevant Dealer), the Trustee, or the Common Representative (as defined below) has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealer (and any Relevant Dealer) or the Trustee or the Common Representative as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Issuers in connection with the Programme or the Notes or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuers under the Programme.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Trustee, the Common Representative, the Dealer or any Relevant Dealers.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by the Issuers, the Trustee, the Dealer or any Relevant Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of each Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer by or on behalf of the Issuers, the Trustee, the Common Representative, the Dealer or any Relevant Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall at any time imply that the information contained herein concerning the Issuers is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealer and any Relevant Dealers, the Trustee and the Common Representative expressly do not undertake to review the financial condition or affairs of either Issuer during the life of the Programme.

The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Trustee, the Dealer and any Relevant Dealers do not represent that this document may be lawfully distributed, nor that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the Applicable Transaction Terms, no action has been taken by either the Issuer, the Trustee, the Common Representative, the Dealer or any Relevant Dealers which would permit a public offering of any Notes outside Ireland or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations, and the Dealer has represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Offering Circular or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom, Ireland and Portugal), Japan, Hong Kong and Mainland China (see "*Subscription and Sale*").

This Offering Circular has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Offering Circular as completed by Applicable Transaction Terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Relevant Issuer or any Relevant 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) if a prospectus for such offer 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 and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by Applicable Transaction Terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or Applicable Transaction Terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuers nor any Relevant Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Relevant Issuer or any Relevant Dealer to publish or supplement a prospectus for such offer.

All references in this document to "U.S. dollars" and "U.S.\$ " refer to the currency of the United States of America, those to "Sterling" and "£" refer to the currency of the United Kingdom, those to "euro", "€" or "EUR" refer to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended, and those to "Reais" and "R\$" refer to the currency of the Republic of Brazil.

The language of the Offering Circular is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of the Offering Circular.

Any reference to websites in this Offering Circular is for information purposes only and such websites shall not form part of this document.

**In connection with the issue of any Tranche of Notes, the Dealer or any Relevant Dealers (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in the Applicable Transaction Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilising manager(s) (or persons acting on behalf of a stabilising manager) will undertake such stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant stabilising manager(s) (or person(s) acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.**

#### ***IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES***

##### **Restrictions on Non-exempt Offers of Notes in Relevant Member States**

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "**Non-exempt Offer**". This Offering Circular has been prepared on a basis that permits Non-exempt Offers of Notes. However, any person making or intending to make a Non-exempt Offer of Notes in any Relevant Member State may only do so if this Offering Circular 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) and published in accordance with the Prospectus Directive, provided that the Relevant Issuer has consented to the use of this Offering Circular in connection with such offer as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*" below, and the conditions attached to that consent are complied with by the person making the Non-exempt Offer of such Notes.

Save as provided above, none of the Issuers nor the Dealer or any Relevant Dealer have authorised, nor do they authorise the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the Relevant Issuer or any Relevant Dealer to publish or supplement a prospectus for such offer.

##### **Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)**

Each Issuer accepts responsibility, in the Member States to which the consent to use the Offering Circular extends, for the content of this Offering Circular in relation to any person (an "**Investor**") to whom an offer of Notes is made by any financial intermediary to whom it has given its consent to use this Offering Circular (an "**Authorised Offeror**") where the offer is made during the period for which that consent is given and where the offer is made in the Member State for which that consent was given and is in compliance with all other conditions attached to the giving of the consent. The consent referred to above relates to public offerings of Notes occurring within 12 months from the date of this Offering Circular.

The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below. None of the Issuers nor the Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of the Issuers nor any Relevant Dealer has any responsibility or liability for the actions of that Authorised Offeror.

**Save as provided below, none of the Issuers nor the Dealer or any Relevant Dealer has authorised the making of any Non-exempt Offer by any offeror nor have they consented to the use of this Offering Circular by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the Issuer is unauthorised and none of the Issuers nor the Dealer or any Relevant Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.** If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Offering Circular for the purposes of Article 6 of the Prospectus Directive in the context of the Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Offering Circular and/or who is responsible for its contents it should take legal advice.

#### *Consent*

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

- (1) if the Relevant Issuer consents to the use of this Offering Circular (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes in Portugal, Ireland, the United Kingdom or any other Relevant Member State by the Relevant Dealer and by:
  - (a) any financial intermediary named as an Initial Authorised Offeror in the Applicable Transaction Terms; and
  - (b) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Relevant Issuer's website ([www.haitongib.com/en](http://www.haitongib.com/en)) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and
- (2) if (and only if) Part B of the applicable Final Terms specifies "General Consent" as "Applicable",

the Issuer hereby offers to grant its consent to the use of this Offering Circular (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Notes in Portugal, Ireland, the United Kingdom or any other Relevant Member State by any financial intermediary which satisfies the "Specific Conditions to Consent" set out below.

#### *Common Conditions to Consent*

The conditions to the Issuer's consent are (in addition to the conditions described under "*Specific Conditions to Consent*" below if Part B of the applicable Final Terms specifies "General Consent" as "Applicable") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms;
- (ii) only extends to the use of this Offering Circular to make Non-exempt Offers of the relevant Tranche of Notes in each Relevant Member State, as specified in the applicable Final Terms; and
- (iii) is subject to any other conditions set out in Part B of the applicable Final Terms.

Each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in the Relevant Member State(s) specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuers or any Relevant Dealer to publish or supplement a prospectus for such offer.

#### *Specific Conditions to Consent*

The conditions to the Issuer's consent are that:

- (i) the financial intermediary must be authorised to make such offers under the Markets in Financial Instruments Directive (as applicable legislation in the Relevant Member State(s) implementing such Directive) (in which regard, Investors should consult the applicable register in the Relevant Member State to which a Non-exempt Offer is made); and
- (ii) the financial intermediary accepts such offer by publishing on its website the following statement (with the information in square brackets completed with the relevant information):

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the "Notes") described in the Final Terms dated [insert date] (the "**Final Terms**") published by [●] (the "**Issuer**"). We hereby accept the offer by the Issuer of its consent to our use of the Offering Circular (as defined in the Final Terms) in connection with the offer of the Notes in [insert relevant jurisdiction] (the "**Offer**") in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Offering Circular, and we are using the Offering Circular in connection with the Offer accordingly".*

The "**Authorised Offeror Terms**" are that the financial intermediary:

- (1) will, and it agrees, represents, warrants and undertakes for the benefit of the Issuers and the Relevant Dealer that it will, at all times in connection with the relevant Non-exempt Offer:
  - (a) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor, and will immediately inform the Issuers and the Relevant Dealer if at any time such financial intermediary becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
  - (b) comply with the restrictions set out under "*Subscription and Sale*" in this Offering Circular which would apply as if it were a Relevant Dealer;
  - (c) ensure that any fee (and any other commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
  - (d) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
  - (e) comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Notes by the Investor), and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;
  - (f) retain Investor identification records for at least the minimum period required under applicable Rules, and, if so requested, make such records available to the Relevant Issuer and the Relevant Dealer or directly to the appropriate authorities with jurisdiction over any Issuer or Relevant Dealer in order to enable the Issuers or any Relevant Dealer to comply with anti-

money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the Issuers or any Relevant Dealer;

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

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

- (i) during the primary offer period of the Notes: (i) not sell the Notes at any price other than the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the Relevant Dealer); (ii) not sell the Notes otherwise than for settlement on the Issue Date specified in the relevant Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the Relevant Dealer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the Relevant Dealer); and (v) comply with such other rules of conduct as may be reasonably required and specified by the Relevant Dealer;
- (j) either (i) obtain from each potential Investor an executed application for the Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;
- (k) ensure that it does not, directly or indirectly, cause the Issuers or the Relevant Dealer to breach any Rule or subject the Issuers or the Relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- (l) comply with the conditions to the consent referred to under "*Common Conditions to Consent*" above and any further requirements relevant to the Non-exempt Offer as specified in the applicable Final Terms;
- (m) make available to each potential Investor in the Notes the Offering Circular (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the Issuer for such purpose and not convey or publish any information that is not contained in or entirely consistent with the Offering Circular; and
- (n) if it conveys or publishes any communication (other than the Offering Circular or any other materials provided to such financial intermediary by or on behalf of the Issuers for the

purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the Issuers, that such financial intermediary is solely responsible for such communication and that none of the Issuers nor any Relevant Dealer accept any responsibility for such communication and (C) does not, without the prior written consent of the Issuers or the Relevant Dealer (as applicable), use the legal or publicity names of the Issuers or the Relevant Dealer or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the Issuers as issuers of the relevant Notes on the basis set out in the Offering Circular;

- (2) agrees and undertakes to indemnify each of the Issuers and the Relevant Dealer (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the Issuers or the Relevant Dealer; and
- (3) agrees and accepts that:
  - (a) the contract between the Issuers and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's offer to use the Offering Circular with its consent in connection with the relevant Non-exempt Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;
  - (b) subject to (d) below, the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the Issuers and financial intermediary submit to the exclusive jurisdiction of the English courts;
  - (c) for the purposes of (b) above and (d) below, the Issuers and the financial intermediary waive any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;
  - (d) this paragraph (d) is for the benefit of the Issuers and the Dealer or any Relevant Dealer appointed under the Programme. To the extent permitted by law, the Issuers and the Dealer or any Relevant Dealer may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions; and
  - (e) the Dealer or any Relevant Dealer will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

**Any financial intermediary who meets all of the conditions set out in "Specific Conditions to Consent" and "Common Conditions to Consent" above who wishes to use this Offering Circular in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the statement (duly completed) specified at paragraph (ii) under "Specific Conditions to Consent" above.**

**Any new information with respect to any financial intermediary or intermediaries unknown at the time of the approval of this Offering Circular or at the time of filing the applicable Final Terms will be published on the Relevant Issuer's website (www.haitongib.com/en).**

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

**AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUERS WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS OFFERING CIRCULAR AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUERS NOR ANY RELEVANT DEALER (EXCEPT WHERE SUCH RELEVANT DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.**

#### ***Non-exempt Offers: Issue Price and Offer Price***

Notes to be offered pursuant to a Non-exempt Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer in consultation with the Relevant Dealer at the time of the relevant Non-exempt Offer and will depend, amongst other things, on the interest rate applicable to the Notes and prevailing market conditions at that time. The Offer Price of such Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Notes to such Investor. Neither the Issuers nor the Relevant Dealer(s) will be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Notes to such Investor.

#### ***FORWARD-LOOKING STATEMENTS***

This Offering Circular contains forward-looking statements, including statements regarding strategies, business plans, targets, forecasts, projections, possible future results of operations and other statements that are not statements of historical facts. These statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates" or similar expressions. Forward-looking statements are included in sections entitled "*Summary of the Programme*", "*Overview of the Programme*", "*Risk Factors*", "*Description of HIIP*", "*Description of Haitong Bank*" and other sections of this Offering Circular.

By their nature, forward-looking statements involve risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuers to be materially different from those suggested in this Offering Circular. Such forward-looking statements are based on numerous assumptions regarding the Issuers' present and future business strategies and the environment in which the Issuers will operate in the future, and many of the factors that will determine the Issuers' actual results, performance and achievements are beyond their control. The important factors that could cause the Issuers' results, performance or achievements to differ materially from those discussed in the forward-looking statements include, but are not limited to, those discussed under "*Risk Factors*".

These forward-looking statements are made only as of the date of this Offering Circular. Subject to any obligations under Article 16 of the Prospectus Directive, the Issuers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuers' expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

## TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAMME .....	13
RISK FACTORS .....	45
OVERVIEW OF THE PROGRAMME .....	95
DOCUMENTS INCORPORATED BY REFERENCE .....	99
FORM OF THE NOTES .....	102
FORM OF FINAL TERMS – BELOW €100,000 DENOMINATION.....	105
FORM OF FINAL TERMS – ABOVE €100,000 DENOMINATION .....	185
FORM OF PRICING SUPPLEMENT .....	264
TERMS AND CONDITIONS OF THE NOTES .....	343
ANNEX 1: ADDITIONAL CONDITIONS FOR CERTAIN NOTES (INCLUDING FX-LINKED NOTES, COMMODITY-LINKED NOTES AND FUND-LINKED NOTES): DISRUPTION, ADJUSTMENT, CORRECTIONS AND EXTRAORDINARY EVENTS .....	458
ANNEX 2: ADDITIONAL CONDITIONS FOR CREDIT-LINKED NOTES .....	467
ANNEX 3: ADDITIONAL CONDITIONS FOR INFLATION-LINKED NOTES .....	476
ANNEX 4: ADDITIONAL CONDITIONS FOR EQUITY-LINKED NOTES.....	482
ANNEX 5: ADDITIONAL CONDITIONS FOR INDEX-LINKED NOTES AND ETF NOTES.....	496
ANNEX 6: PHYSICAL SETTLEMENT CONDITIONS.....	510
USE OF PROCEEDS .....	516
DESCRIPTION OF HIIP .....	517
DESCRIPTION OF HAITONG BANK.....	519
KEEP WELL AGREEMENT.....	528
TAXATION .....	531
SUBSCRIPTION AND SALE .....	545
GENERAL INFORMATION.....	551

## SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as 'elements'. These elements are numbered in sections A – E (A.1 – E.7).

This Summary contains all the elements required to be included in a summary for these types of securities and issuer. Because some elements are not required to be addressed, there may be gaps in the numbering sequence of the elements.

Even though an element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the element. In this case a short description of the element is included in the summary after the words 'not applicable'.

In particular elements in italics denote placeholders for completing the issue specific summary relating to a Tranche of Notes for which such issue specific summary is to be prepared.

Words and expressions defined in the sections entitled "Terms and Conditions of the Notes" or elsewhere in this Offering Circular have the same meanings in this summary.

<b>Section A – Introduction and Warnings</b>		
<b>A.1</b>	<b>Introduction and Warnings</b>	<p><i>This Summary should be read as an introduction to the Offering Circular. Any decision to invest in Notes should be based on consideration of the Offering Circular as a whole, including any information incorporated by reference, and read together with the Final Terms.</i></p> <p><i>Where a claim relating to the information contained in the Offering Circular is brought before a court, the plaintiff might, under the national legislation of the relevant Member State of the European Economic Area, have to bear the costs of translating the Offering Circular before the legal proceedings are initiated.</i></p> <p><i>No civil liability shall attach to any responsible person solely on the basis of this Summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Offering Circular or it does not provide, when read together with the other parts of the Offering Circular, key information in order to aid investors when considering whether to invest in the Notes.</i></p>
<b>A.2</b>	<b>Consent by the Issuer to the use of prospectus in subsequent resale or final placement of Securities, indication of offer period and conditions to consent for subsequent resale or final placement, and warning</b>	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "<b>Non-exempt Offer</b>". The Issuer may provide its consent to the use of the Offering Circular and Final Terms for subsequent resale or final placement of Notes by financial intermediaries, provided that the subsequent resale or final placement of Notes by such financial intermediaries is made during the offer period specified in the Final Terms. Such consent may be subject to conditions which are relevant for the use of the Offering Circular.</p> <p><i>[Not applicable; the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency).]</i></p> <p><i>[Consent: Subject to the conditions set out below, the Issuer consents to the use of this Offering Circular in connection with a Non-exempt Offer of Notes during the period from and including [●], to, but excluding, [●] by the Relevant Dealer[s][, [names of specific financial intermediaries listed in Final Terms,] [and] [each financial intermediary whose name is published on the Issuer's website ([<a href="http://www.haitongib.com/en">http://www.haitongib.com/en</a>]) and identified as an "<b>Authorised Offeror</b>" in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing Directive 2004/39/EC ("<b>MiFID</b>") and publishes on its website the following statement (with the information in square brackets being</i></p>

		<p>completed with the relevant information):</p> <p>"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the "<b>Notes</b>") described in the Final Terms dated [insert date] (the "<b>Final Terms</b>") published by [•] (the "<b>Issuer</b>"). We hereby accept the offer by the Issuer of its consent to our use of the Offering Circular (as defined in the Final Terms) in connection with the offer of the Notes in [insert relevant jurisdiction] (the "<b>Offer</b>") in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Offering Circular, and we are using the Offering Circular in connection with the Offer accordingly".]</p> <p><i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; (b) only extends to the use of this Offering Circular to make Non-exempt Offers of the relevant Tranche of Notes in [specify each relevant EU Member State in which the particular Tranche of Securities can be offered] and (c) [specify any other conditions applicable to the Non-exempt Offer of the particular Tranche, as set out in the Final Terms].</p> <p>Any new information with respect to any financial intermediary or intermediaries unknown at the time of the approval of this Offering Circular or at the time of filing the applicable Final Terms will be published on the Issuer's website (<a href="http://www.haitongib.com/en">http://www.haitongib.com/en</a>).</p> <p><b>Authorised Offerors will provide information to an investor on the terms and conditions of the Non-exempt Offer of the relevant Notes at the time such Non-exempt Offer is made by the Authorised Offeror to the investor.</b></p>
<b>Section B – Issuers</b>		
<b>B.1</b>	<b>Legal and commercial name of the Issuer</b>	<p>The Notes are issued by:</p> <ul style="list-style-type: none"> <li>i. Haitong Investment Ireland p.l.c. ("<b>HIIP</b>"); or</li> <li>ii Haitong Bank, S.A. (acting through its head office or its London Branch ("<b>Haitong Bank</b>"),</li> </ul> <p>an "<b>Issuer</b>" for the purposes hereof.</p> <p>HIIP and Haitong Bank are together the "<b>Issuers</b>" for the purposes hereof.</p>
<b>B.2</b>	<b>Domicile and legal form of the Issuer, legislation under which the Issuer operates and country of incorporation of Issuer</b>	<p>HIIP is a public limited company incorporated under the Irish Companies Acts, 2014. HIIP's registered office is at Riverside One, Sir John Rogerson's Quay, Dublin 2 and its business address is at Fourth Floor, Spencer House, 71-73 Talbot Street, Dublin 1, Ireland. HIIP's registered number is 253333.</p> <p>Haitong Bank was incorporated in Portugal on 28 February 1983 as a company limited by shares and is registered with the Commercial Registry Office of Lisbon under number 501.385.932. Haitong Bank's registered office is at Edificio Quartzo, Rua Alexandre Herculano, 38, 1269-180 Lisboa, Portugal.</p>
<b>B.4b</b>	<b>Known trends affecting the Issuer and industries in which the Issuer operates</b>	<p>A number of mature economies are implementing austerity measures in order to reduce their financial deficits and public debt. While there is some consensus that this may help to resolve the sovereign and banking crisis in the medium term, in the short term it is limiting growth, increasing unemployment and restricting tax revenues.</p> <p>Consumer and corporate banking activity, in particular loan demand and ancillary service, remains subdued in the current economic environment. Structural market conditions, primarily low interest rates and increased medium term funding costs have negatively impacted operating income of financial service providers including that of the Issuers. Financial services providers face increasingly stringent and costly regulatory and supervisory requirements, particularly in the areas of capital and liquidity management, the conduct of business, the structure of operations and the integrity of financial services</p>

		delivery. Increased government intervention and control over financial institutions, together with measures to reduce systemic risk, may significantly impact the competitive landscape.
<b>B.5</b>	<b>Description of group and Issuer's position within the group</b>	<p>Haitong Bank (at that time known as Banco Espírito Santo de Investimento, S.A. (“<b>BESI</b>”)) was sold on 8 December 2014 to Haitong International Holdings Limited (“<b>Haitong</b>”), a private company incorporated in Hong Kong and a direct wholly owned subsidiary of Haitong Securities Co., Ltd. (a company incorporated in People’s Republic of China (“<b>PRC</b>”) and whose shares are listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited). On 7 September 2015 the sale of BESI was completed and Haitong became a direct shareholder of BESI and an indirect shareholder of Espírito Santo Investment p.l.c. (“<b>ESIP</b>”). Following the acquisition, on 7 September 2015, BESI’s name was formally changed to Haitong Bank, S.A. and on 11 September 2015 ESIP’s name was formally changed to Haitong Investment Ireland p.l.c. (“<b>HIIP</b>”).</p> <p>HIIP is 100 per cent. owned by Haitong Bank.</p> <p>As at the date of this Offering Circular, Haitong Bank is 100 per cent. owned by Haitong, with the exception of four shares. Each of the remaining four shares is owned by one of the following entities: Haitong International Global Strategic Investment Limited (incorporated in Cayman Islands), Haitong Capital International Investment Co., Ltd. (incorporated in Hong Kong), Haitong Innovation International Capital Management Co., Ltd. (incorporated In Cayman Islands) (GP) and Haitong ALIC Innovation Growth PE Fund I (incorporated in Cayman Islands) (LLP).</p>
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable. The Issuer does not make a profit forecast or profit estimate in the Offering Circular.
<b>B.10</b>	<b>Nature of any qualifications in audit report on historical financial information</b>	Not applicable. There are no qualifications in the audit reports for the Issuers.
<b>B.12</b>	<b>Selected key financial information; No material adverse change and no significant change statements</b>	<p>The consolidated balance sheet of Haitong Bank as at 31 December 2015, 2014 and 2013 has been extracted without any adjustment from, and should be read in conjunction with, Haitong Bank’s consolidated financial information in respect of those dates.</p> <p><b>Haitong Bank Audited Consolidated Balance Sheet as at 31 December 2015, 2014 and 2013</b></p>

	31.12.2015 (in thousands of euro)	31.12.2014 (in thousands of euro)	31.12.2013 (in thousands of euro)
<b>Assets</b>			
Cash and deposits at central banks	117.684	1.524	4.836
Deposits with banks	38.960	49.067	65.493
Financial assets held for trading	1.346.489	1.468.473	1.604.606
Available-for-sale financial assets	468.311	554.680	783.352
Loans and advances to banks	258.795	34.308	433.623
Loans and advances to customers	1.041.341	1.549.218	1.946.582
Held-to-maturity investments	-	-	314.329
Derivatives for risk management purposes	15.236	25.754	72.228
Non-current assets held for sale	3.600	3.600	17.946
Other tangible assets	12.164	15.493	19.310
Intangible assets	80.280	77.396	73.622
Investments in associates	10.343	26.878	52.124
Current income tax assets	10.029	5.173	15.029
Deferred income tax assets	139.906	97.414	62.178
Other assets	629.444	532.441	496.541
<b>Total Assets</b>	<b>4.172.582</b>	<b>4.441.419</b>	<b>5.961.799</b>
<b>Liabilities</b>			
Deposits from central banks	61.139	61.108	151.907
Financial liabilities held for trading	502.350	621.550	480.688
Deposits from other banks	1.632.522	1.397.284	1.680.584
Customers' accounts	567.038	448.912	1.054.389
Debt securities issued	547.266	1.072.210	1.449.549
Financial liabilities associated to transferred assets	0	0	22.982
Derivatives for risk management purposes	116.397	33.939	54.089
Provisions	8.543	46.425	37.371
Current income tax liabilities	4.370	17.728	11.560
Deferred income tax liabilities	194	718	18.911
Subordinated debt	215	37.096	55.152
Other liabilities	301.705	266.846	325.122
<b>Total Liabilities</b>	<b>3.741.739</b>	<b>4.003.816</b>	<b>5.342.304</b>
<b>Equity</b>			
Share capital	426.269	326.269	326.269
Share premium	8.796	8.796	8.796
Other equity instruments	3.731	3.731	3.731
Fair value reserve	-11.919	-11.639	-3.596
Other reserves, retained earnings and other comprehensive income	187	200.560	225.349
Net profit/ (loss) for the year attributable to equity holders of the Bank	-35.402	-138.493	7.062
<b>Total Equity attributable to equity holders of the Bank</b>	<b>391.662</b>	<b>389.224</b>	<b>567.611</b>
Non-controlling interest	39.181	48.379	51.884
<b>Total Equity</b>	<b>430.843</b>	<b>437.603</b>	<b>619.495</b>
<b>Total Equity and Liabilities</b>	<b>4.172.582</b>	<b>4.441.419</b>	<b>5.961.799</b>

The consolidated income statement of Haitong Bank for the years ended 31 December 2015, 2014 and 2013 has been extracted without any adjustment from, and should be read in conjunction with, Haitong Bank's consolidated financial information in respect of those dates.

**Haitong Bank Audited Consolidated Income Statement for the period ended 31 December 2015, 2014 and 2013**

	31.12.2015 (in thousands of euro)	31.12.2014 (in thousands of euro)	31.12.2013 (in thousands of euro)
Interest and similar income	251.514	321.053	342.615
Interest expense and similar charges	207.070	255.108	260.348
<b>Net interest income</b>	<b>44.444</b>	<b>65.945</b>	<b>82.267</b>
Dividend income	-	97	437
Fee and commission income	94.274	119.336	126.280
Fee and commission expenses	-11.803	-21.014	-24.006
Net gains/(losses) from financial assets at fair value through profit or loss	77.887	59.255	34.755
Net gains/(losses) from available-for-sale financial assets	3.080	75.905	52.760
Net gains/(losses) from foreign exchange differences	-61.930	-32.985	-15.283
Net gains/(losses) from the sale of other assets	95	-6.750	-49
Other operating income and expense	-9.062	-9.743	-10.636
<b>Operating income</b>	<b>136.985</b>	<b>250.046</b>	<b>246.525</b>
Staff costs	80.785	96.289	104.880
General and administrative expenses	53.694	57.449	60.370
Depreciation and amortisation	6.610	7.221	6.726
Provisions net of reversals	-23.637	16.844	19.411
Loans impairment net of reversals and recoveries	60.231	169.605	37.875
Impairment on other financial assets net of reversals and recoveries	2.495	49.144	1.801
Impairment on other assets net of reversals and recoveries	-224	20.570	410
<b>Operating expenses</b>	<b>179.954</b>	<b>417.122</b>	<b>231.473</b>
Share of profit of associates	-1.143	-271	374
<b>Profit (loss) before income tax</b>	<b>-44.112</b>	<b>-167.347</b>	<b>15.426</b>
<b>Income tax expense</b>			
Current tax	26.606	17.215	14.653
Deferred tax	-41.729	-46.931	-6.590
	<b>-15.123</b>	<b>-29.716</b>	<b>8.063</b>
<b>Net profit/(loss) for the year</b>	<b>-28.989</b>	<b>-137.631</b>	<b>7.363</b>
<b>Attributable to equity holders of the Bank</b>	<b>-35.402</b>	<b>-138.493</b>	<b>7.062</b>
<b>Attributable to non-controlling interest</b>	<b>6.413</b>	<b>862</b>	<b>301</b>
	<b>-28.989</b>	<b>-137.631</b>	<b>7.363</b>
Basic Earnings per Share (in euro)	-0,54	-2,13	0,10
Diluted Earnings per Share (in euro)	-0,54	-2,13	0,10
<b>Other comprehensive income for the year</b>			
Actuarial gains/(losses) net of taxes	-7.989	-3.313	-9.511
Exchange differences	-68.124	-27.677	-42.972
Other comprehensive income appropriate from associates	346	-21	14
	<b>-75.767</b>	<b>-31.011</b>	<b>-52.469</b>
Available-for-sales financial assets			
Gains/(losses) arising during the period	-1.492	26.690	44.530
Reclassification adjustments for gains/(losses) included in the profit or loss	-734	-41.705	-51.039
Deferred taxes	1.409	5.555	1.056
Exchange differences	-	16	-1.173
	<b>-817</b>	<b>-9.444</b>	<b>-6.626</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>-105.573</b>	<b>-178.086</b>	<b>-51.732</b>
<b>Attributable to equity holders of the Bank</b>	<b>-97.337</b>	<b>-177.690</b>	<b>-42.904</b>
<b>Attributable to non-controlling interest</b>	<b>-8.236</b>	<b>-396</b>	<b>-8.828</b>
	<b>-105.573</b>	<b>-178.086</b>	<b>-51.732</b>

The income statement and statement of comprehensive income of HIIP for the years ended 31 December 2015, 2014 and 2013 has been extracted without any adjustment from, and should be read in conjunction with, HIIP's statutory financial statements for those years.

**HIIP Audited Income Statement for the year ended 31 December 2015, 2014 and 2013**

	31.12.2015 (in thousands of euro)	31.12.2014 (in thousands of euro)	31.12.2013 (in thousands of euro)
Interest and similar income	79.390	108.974	98.914
Interest expense and similar charges	69.690	103.237	84.227
<b>Net interest income</b>	<b>9.701</b>	<b>5.737</b>	<b>14.688</b>
Fee and commission income	559	122	519
Fee and commission expense	-5.773	-6.163	-5.627
Net gain from financial assets at fair value through profit or loss	3.745	11.363	-15.079
Net gains from available-for-sale financial assets	53	-55	-
Net gain/(loss) from held to maturity financial assets	-	6	-153
Net (loss) from sale of loans and advances to customers	-11.196	-7.788	-
Net (loss) from foreign exchange differences	-1.422	-856	751
Net gain from sale of subordinated debt	-	194	-
Other operating income	-	663	55.292
<b>Operating income</b>	<b>-4.334</b>	<b>3.223</b>	<b>50.391</b>
Staff costs	471	433	401
General and administrative expenses	442	508	440
Depreciation	5	4	2
Impairment of loans and receivables	279	3.737	1.653
Impairment of available for sale financial assets/liabilities	-	15.405	-
Impairment/(Writeback) of other assets	-	3.465	-
Other operating expenses	18	24	37.214
<b>Operating expenses</b>	<b>1.215</b>	<b>23.577</b>	<b>39.711</b>
<b>(Loss) before taxation</b>	<b>-5.549</b>	<b>-20.353</b>	<b>10.681</b>
<b>Income tax expense</b>			
Current tax	-	-	-1.335
Deferred tax	688	2.544	-
<b>(Loss) for the year</b>	<b>-4.861</b>	<b>-17.809</b>	<b>9.346</b>

	31.12.2015 (in thousands of euro)	31.12.2014 (in thousands of euro)	31.12.2013 (in thousands of euro)
<b>(Loss)/Profit for the year</b>	<b>-4.861</b>	<b>-17.809</b>	<b>9.346</b>
<b>Other comprehensive income/(loss) for the year</b>			
<b>Items that are or may be reclassified to profit or loss</b>			
<b>Available-for-sales financial assets</b>			
(Losses)/income arising during the year	-4	-11.385	2.161
Fair value adjustment due to the reclassification from			
Held to maturity to Available-for-sale	-	-942	-
Net amount transferred to the profit or loss	-	15.460	-
Deferred taxes	-10	-383	-270
<b>Other comprehensive (loss)/income for the year</b>	<b>-14</b>	<b>2.749</b>	<b>1.891</b>
<b>Total comprehensive (loss)/income for the year</b>	<b>-4.875</b>	<b>-15.060</b>	<b>11.237</b>

The statement of financial position of HIIP for the years ended 31 December 2015, 2014 and 2013 has been extracted without any adjustment from, and should be read in conjunction with, HIIP's statutory financial statements for those years.

**HIIP Audited Statement of Financial Position as at 31 December 2015, 2014 and 2013**



		of equity and debt issues.
<b>B.16</b>	<b>Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control</b>	<p>HIIP is 100 per cent. owned by Haitong Bank. HIIP has no subsidiaries.</p> <p>As at the date of this Offering Circular, Haitong Bank is 100 per cent. owned by Haitong, with the exception of four shares. Each of the remaining four shares is owned by one of the following entities: Haitong International Global Strategic Investment Limited (incorporated in Cayman Islands), Haitong Capital International Investment Co., Ltd. (incorporated in Hong Kong), Haitong Innovation International Capital Management Co., Ltd. (incorporated In Cayman Islands) (GP) and Haitong ALIC Innovation Growth PE Fund I (incorporated in Cayman Islands) (LLP). See further Element B.5 above.</p>
<b>B.17</b>	<b>Credit ratings assigned to the Issuer or its debt securities</b>	<p>On 24 September 2015, Haitong Bank's rating was reinstated at a rating of BB- (long term debt) and B (short term debt) by Standard &amp; Poor's Credit Market Services Europe Limited ("<b>S&amp;P</b>"). HIIP's Senior Unsecured Bonds' rating was reinstated by S&amp;P at a rating of BB- (long term debt), HIIP benefiting from the Keep Well Agreement executed with Haitong Bank and being a wholly owned subsidiary of Haitong Bank.</p> <p>A specific issue of Notes may be rated or unrated.</p> <p><i>This issue of Notes will [not be rated] [be rated as [•] by [Standard &amp; Poor's Credit Market Services Europe Limited] [Fitch Ratings Limited] [Moody's Investors Service Ltd.].]</i></p>
<b>Section C – Notes</b>		
<b>C.1</b>	<b>Type and class of Securities being offered and/or admitted to trading</b>	<p><b>Issuance in Series:</b> Notes are issued in series (each a "Series") and Notes of each Series will all be subject to identical terms (except issue price, issue date and interest commencement date, which may or may not be identical) whether as to currency, denomination, interest or maturity or otherwise, save that a Series may comprise Notes in bearer form and in registered form. Further tranches of Notes (each a "Tranche") may be issued as part of an existing Series.</p> <p><b>The Series number of the Notes is [ ]. [The Tranche number is [ ].]</b></p> <p><i>The Notes will be cleared through [ ]. The Notes have been assigned the following securities identifiers: [ ].</i></p>
<b>C.2</b>	<b>Currency</b>	<p>Subject to compliance with all applicable laws, regulations and directives, Notes may be issued in any currency. The terms of Notes may provide that all amounts of interest payable in respect of such Notes will be paid in a settlement currency other than the currency in which they are denominated, with such payments being converted into the settlement currency at the prevailing exchange rate as determined by the Agent.</p> <p><i>The Notes will be denominated in [ ]. [All amounts of interest payable in respect of the Notes will be paid in [ ], with such payments being converted from [ ] to [ ] at the prevailing exchange rate as determined by the Agent.]</i></p>
<b>C.5</b>	<b>Description of restrictions on free transferability of the Securities</b>	<p>With respect to the United States, Notes offered and sold outside the United States to non-US persons in reliance on "Regulation S" must comply with certain transfer restrictions.</p> <p>Notes held in a clearing system will be transferred in accordance with the rules, procedures and regulations of that clearing system.</p> <p>Subject to the above, the Notes will be freely transferable.</p>

C.8	<p><b>Description of rights attached to the Securities and limitations to those rights; ranking of the Notes</b></p>	<p><b>Status of the Notes:</b> The Senior Notes constitute direct, unsubordinated, unconditional and unsecured obligations of the Relevant Issuer and rank <i>pari passu</i> without any preference among themselves and at least <i>pari passu</i> with all other outstanding unsecured and unsubordinated obligations of the Relevant Issuer, present and future.</p> <p>The Tier 2 Notes constitute direct, unsecured and subordinated obligations of the Relevant Issuer and rank <i>pari passu</i> without any preference among themselves.</p> <p><b>Negative Pledge:</b> No.</p> <p><b>Cross Acceleration:</b> Yes, in respect of the Senior Notes only, subject to a threshold of U.S.\$10,000,000 (or its equivalent in any other currency) or, if higher, one per cent. of Haitong Bank’s Shareholders’ Funds.</p>
C.9	<p><b>Interest/ Redemption</b></p>	<p><b>Interest:</b> Notes may be interest bearing or non-interest bearing. The method of calculation of the interest payable may differ from time to time, consist of a combination of different structures or be constant for any Series of Notes. If a combination of structures is applicable, the total amount of interest payable to Noteholders will equal the sum of the various interest amounts that are applicable, multiplied in each case by a percentage which represents the overall share of the total amount of interest to which each structure contributes. Notes may have a maximum interest rate or amount, a minimum interest rate or amount, or both. The length of the interest periods for the Notes may also differ from time to time or be constant for any Series of Notes.</p> <p>In the case of partly paid notes (other than partly paid notes which are Zero Coupon Notes), interest will accrue on the paid-up outstanding nominal amount of such Notes.</p>

The Notes are:

*[Fixed Rate Notes which accrue interest at a fixed rate[; and] [.] ]*

*[Floating Rate Notes which accrue interest at a floating rate[; and] [.] ]*

*[Inflation-Linked Interest Notes, in respect of which the amount of interest payable is linked to movement in the performance of a consumer price index during a specified period, with such interest amount also (in certain cases) being subject to caps/floors and compared to pre-determined strike levels[; and] [.] ]*

*[Zero Coupon Notes which will not accrue any amount of interest[; and] [.] ]*

*[Index Interest Notes, in respect of which the amount of interest payable is linked to the price or performance of the relevant Reference Asset (Interest) or basket of Reference Assets (Interest). Reference Asset(s) (Interest) may include equities, shares (including private equity)/depository receipts, indices, interest rates, currencies, fund units, commodities and/or credit risks or baskets thereof. The change in price or performance of such Reference Asset(s) (Interest) will affect the amount of interest payable, depending on whether such Reference Asset(s) (Interest) falls above or below a particular cap, floor or barrier or within a particular range on one or a number of days within the relevant interest period. The amount of interest payable may:*

- *be cumulative provided certain performance thresholds are reached;*
- *be linked to the performance of a specified interest rate during a specified period as compared to a number of pre-determined strike/Barrier Levels, with such interest amount also being subject (in certain cases) to caps/floors;*
- *be linked to the performance of a basket of underlying assets or a specific Reference Asset (Interest) within the basket (for example, the worst performing Reference Asset (Interest)) as compared to a pre-determined strike level; and/or*
- *be linked to the percentage of Reference Assets within the Basket that are above a Barrier Level on each business day up to and including the relevant interest payment date[; and] [.] ]*

*[Compounding Floater Notes, in respect of which the amount of interest is payable upon redemption and is linked to the performance of a floating reference rate[; and] [.] ]*

*[Credit-Linked Notes, in respect of which the amount of interest payable is linked to whether a Credit Event (as defined below) occurs in respect of the selected obligations of a number of specified reference entities ("CLNs"). In respect of CLNs, a Credit Event is a corporate event which typically makes the creditor of the Reference Entity worse off (e.g. bankruptcy or failure to pay). If a Credit Event occurs in respect of a Reference Entity, the nominal amount used for calculation of the interest payable may be reduced.]*

*Interest Commencement Date: [ ].*

*Interest Payment Date(s): [ ].*

*[Maximum Interest Rate/Maximum Interest Amount]: [applicable/not applicable].*

*[Minimum Interest Rate/ Minimum Interest Amount]: [applicable/not applicable].*

Notes may include an option for the Issuer, at its discretion, to switch the type of interest payable on the Notes once during the term of the Notes to a fixed rate of interest (the "**Switch Option**").

*The Switch Option is [applicable/not applicable].*

Notes may include an automatic switch condition which, in certain circumstances, will result in the type of interest payable on the Notes switching

to a fixed rate of interest (the "**Switch Automatic Condition**").

*The Switch Automatic Condition is [applicable/not applicable].*

In respect of Notes for which the interest basis specified in the Final Terms is 'Contingent Coupon', if the return generated by the Basket/Reference Assets/nth best performing Reference Asset Value on any valuation date (each a "**Valuation Date**") does not meet the applicable Coupon Condition, no interest will be payable on the Notes in respect of the relevant Interest Payment Date.

The amount of any interest payable will depend on the Barrier Level or range which is reached, and which of the following structures is selected as applicable to the Notes:

- *Flat Coupon:* the interest payable will be the Calculation Amount of the Notes multiplied by a pre-determined coupon rate.
- *Memory Coupon:* the interest payable will be the Calculation Amount of the Notes multiplied by a pre-determined coupon rate and multiplied by the number of immediately preceding Interest Payment Dates for which an amount of interest has not been paid.
- *Plus Flat Coupon:* the interest payable will be the Calculation Amount of the Notes multiplied by the higher of a pre-determined coupon rate and a pre-determined bonus factor.
- *Plus Memory Coupon:* the interest payable will be the Calculation Amount of the Notes multiplied by the higher of: (a) a pre-determined bonus factor, and (b) a pre-determined coupon rate multiplied by the number of immediately preceding Interest Payment Dates for which an amount of interest has not been paid.
- *Adjusted Memory Coupon:* the interest payable will be the Calculation Amount of the Notes multiplied by the amount determined by subtracting (a) the sum of previously paid interest amounts (expressed as percentage of the Calculation Amount) from (b) the product of (i) a pre-determined coupon rate and (ii) the number of preceding Interest Payment Dates.
- *Twin Win Coupon:* the interest payable will be the Calculation Amount of the Notes multiplied by the higher of: (a) the Basket Return (determined on a "long" basis as described in C.10 below, subject to a pre-determined minimum return, if applicable) multiplied by an applicable participation ratio, and (b) the Basket Return ((determined on a "short" basis as described in C.10 below, subject to a pre-determined minimum return, if applicable) multiplied by an applicable participation ratio.

*Contingent Coupon: [applicable – [Flat Coupon][Memory Coupon][Plus Flat Coupon][Plus Memory Coupon][Adjusted Memory Coupon][Twin Win Coupon ]/ not applicable].*

**Redemption:** The Issuer will redeem the Notes at their redemption amount (the "**Redemption Amount**") and on the maturity date(s) (the "**Maturity Date**") specified in the Final Terms. The Redemption Amount will be determined in accordance with one or more of the redemption bases specified below in Element C.10, and the Final Terms will specify which of the redemption bases is applicable to each Series of Notes. Instalment Notes will be redeemed in instalments equal to the Instalment Amount(s) on each Instalment Dates.

*Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed [at their Redemption Amount, as calculated in accordance with the redemption basis specified in Element C.10 below, on [•]] [in instalments on each instalment date as follows:*

<i>Instalment Date</i>	<i>Instalment Amount</i>
[ ]	[ ]

		<p>[ ] [ ]</p> <p>If "Target Redemption Condition" is applicable, Notes will be redeemed early at their early redemption amount if the total amount of interest payable up to and including the next following interest payment date exceeds a pre-determined threshold (the "<b>Target Payment Amount</b>").</p> <p><i>[Target Redemption Condition is [not applicable] [is applicable and the Target Payment Amount is [ ]].</i></p> <p>Where one of the "Autocallable" redemption bases applies, if the return generated by the Basket or particular Reference Asset(s) is greater than or equal to a Barrier Level on any Valuation Date, then the Relevant Issuer will redeem the Notes early on the next following early redemption date at an amount equal to the Principal Amount of the Note together with (if any) a pre-determined coupon.</p> <p>The "<b>Early Redemption Amount</b>" of any Note scheduled to redeem at par will be its Calculation Amount. The Early Redemption Amount of Zero Coupon Note will be based on its accrual yield and the time to scheduled maturity. The Early Redemption Amount of any other Note will be equal to its fair market value less associated costs.</p> <p><b>Yield:</b> The yield of each Tranche of Fixed Rate Notes will be calculated on the basis of the relevant issue price at the relevant issue date. It is not an indication of future yield.</p> <p><i>Based upon the Issue Price of [ ], at the Issue Date the anticipated yield of the Notes is [ ] per cent. per annum.</i></p> <p><b>Representative of the Noteholders:</b> [Applicable / Not applicable].</p>
C.10	<p><b>Explanation of any derivative component in the interest payment</b></p>	<p>The amount of any interest payable will be determined in accordance with one or more of the interest types specified in Element C.9 above and the Final Terms will specify which of the different interest bases is applicable to each Series of Notes.</p> <p><b>Redemption Bases for redemption at maturity</b></p> <p>The redemption bases described below determine the manner in which the performance of the relevant Reference Asset(s) or Reference Entity(ies) affects the yield and/or the Redemption Amount in respect of the Notes. The Issuer may elect to combine two or more redemption bases in any issue of Notes:</p> <p>For the purposes of this section, "<b>Reference Asset Return</b>" means, with respect to a Reference Asset, either (i) the amount by which the final price of such Reference Asset exceeds its initial price (the "long" performance") or (i) the amount by which the initial price of such Reference Asset exceeds its final price of the Reference Asset (the "short" performance"). The initial price and final price may be determined on one valuation date or as the average of the values determined on more than one valuation date. "<b>Basket Return</b>" means the aggregate of the Reference Asset Returns of each Reference Asset in the Basket (each multiplied by the applicable weighting). The "<b>Participation Ratio</b>", "<b>Participation Ratio 2</b>" and "<b>Participation Ratio 3</b>" are ratios used to determine the holders' exposure to the performance of the relevant Reference Assets. The "<b>Barrier Level</b>", "<b>Barrier Level 1</b>", "<b>Barrier Level 2</b>", "<b>Strike Level</b>" and "<b>Basket Strike Level</b>" are pre-determined thresholds against which the performance of the relevant Reference Assets or the Basket will be measured in calculating the Redemption Amount payable.</p> <p>The applicable redemption [basis is] / [bases are]: <i>(include relevant redemption bases)</i></p> <p>[Par: The Redemption Amount is equal to the Calculation Amount of the Notes.]</p>

*[Basket Bullish:* The Redemption Amount is the sum of the Calculation Amount of the Notes and an additional return which is equal to the Calculation Amount of the Notes multiplied by (i) the Basket Return and (ii) the Participation Ratio.]

*[Basket Bearish:* The Redemption Amount is the sum of the Calculation Amount of the Notes and an additional amount equal to the Calculation Amount multiplied by (i) the Basket Return and (ii) the Participation Ratio. If the performance of the Reference Assets within the Basket is positive, this will have a negative impact on the Basket Return and, therefore, the return that is payable to Noteholders. If the performance of the Reference Assets within the Basket is negative, this will have a positive impact on the Basket Return and, therefore, the return that is payable to Noteholders.]

*[Buffer Basket Bullish:* The Redemption Amount is the sum of the Calculation Amount of the Notes and an additional amount equal to the Calculation Amount multiplied by the higher of (i) a specified minimum return, and (ii) (a) the sum of the Basket Return and a fixed coupon, multiplied by (b) the Participation Ratio.]

*[Buffer Basket Bearish:* The Redemption Amount is the sum of the Calculation Amount of the Notes and an additional amount equal to the Calculation Amount multiplied by the higher of (i) a specified minimum return, and (ii) (a) the sum of the Basket Return and a fixed coupon, multiplied by (b) the Participation Ratio. If the performance of the Reference Assets within the Basket is positive, this will have a negative impact on the Basket Return and, therefore, the return that is payable to Noteholders. If the performance of the Reference Assets within the Basket is negative, this will have a positive impact on the Basket Return and, therefore, the return that is payable to Noteholders.]

*[Bullish One Touch – Type 1:* If the performance of the Basket (determined on a long basis as described in "Basket Bullish" above) is equal to or exceeds a Barrier Level (a price cap), the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by a specified percentage. If the Barrier Level is not exceeded, the Redemption Amount will be equal to the Calculation Amount.]

*[Bullish One Touch – Type 2:* If the performance of the Basket (determined on a short basis as described in "Basket Bearish" above) is equal to or exceeds a specified Barrier Level (a price cap), the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by a specified percentage. If the Barrier Level is not exceeded, the Redemption Amount will be equal to the Calculation Amount.]

*[Bearish One Touch – Type 1:* If the performance of the Basket (determined on a long basis as described in "Basket Bullish" above) is equal to or less than a Barrier Level (a price floor), the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by a specified percentage. If the Barrier Level is not breached, the Redemption Amount will be equal to the Calculation Amount.]

*[Bearish One Touch – Type 2:* If the performance of the Basket (determined on a short basis as described in "Basket Bearish" above) is equal to or less than a Barrier Level (a price floor), the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by a specified percentage. If the Barrier Level is not breached, the Redemption Amount will be equal to the Calculation Amount.]

*[Best of/Worst of Bullish One Touch – Type 1:* This is the same as the "Bullish One Touch – Type 1" redemption basis, save that the observation of

the Barrier Level and the calculation of the Redemption Amount will be determined by reference to the performance of the Nth best performing Reference Asset (determined on a long basis) rather than the Basket as a whole. The value of N will be specified in the applicable Final Terms.]

*[Best of/Worst of Bullish One Touch – Type 2:* This is the same as the "Bullish One Touch – Type 2" redemption basis, save that the observation of the Barrier Level and the calculation of the Redemption Amount will be determined by reference to the performance of the Nth best performing Reference Asset (determined on a short basis) rather than the Basket as a whole. The value of N will be specified in the applicable Final Terms.]

*[Best of/Worst of Bearish One Touch – Type 1:* This is the same as the "Bearish One Touch – Type 1" redemption basis, save that the observation of the Barrier Level and the calculation of the Redemption Amount will be determined by reference to the performance of the Nth best performing Reference Asset (determined on a long basis) rather than the Basket as a whole. The value of N will be specified in the applicable Final Terms.]

*[Best of/Worst of Bearish One Touch – Type 2:* This is the same as the "Bearish One Touch – Type 2" redemption basis, save that the observation of the Barrier Level and the calculation of the Redemption Amount will be determined by reference to the performance of the Nth best performing Reference Asset (determined on a short basis) rather than the Basket as a whole. The value of N will be specified in the applicable Final Terms.]

*[Performance Long – Type 1:* If the Basket Return is less than a Barrier Level minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the Participation Ratio and the Basket Return. If the Basket Return is greater than or equal to a Barrier Level minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the higher of (i) the product of the Basket Return and Participation Ratio 2, and (ii) a pre-determined minimum return. If the return generated by the Basket is greater than or equal to both a Barrier Level and a pre-determined coupon Barrier Level on the final Valuation Date, a Coupon (if any) will also be payable (please refer to Element C.9 for details regarding the Coupon).]

*[Performance Long – Type 2:* If the Basket Return is less than Barrier Level 1 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the Participation Ratio and the Basket Return. If the Basket Return is greater than or equal to Barrier Level 1 minus the Basket Strike Level but less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by either (as will be specified in the Final Terms), (i) the applicable bonus coupon or (ii) the product of Participation Ratio 3 and the absolute value of the Basket Return. If the Basket Return is greater than or equal to Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the higher of (i) the product of Basket Return and Participation Ratio 2, and (ii) a pre-determined minimum return.]

*[Performance Long – Type 3:* If the Basket Return is greater than or equal to Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation

Amount of the Notes by the higher of (i) the product of the Basket Return and Participation Ratio 2, and (ii) a pre-determined minimum return. If the Basket Return is (i) never less than Barrier Level 1 minus the Basket Strike Level, and (ii) less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by either (as will be specified in the Final Terms), (i) the applicable bonus coupon or (ii) the product of Participation Ratio 3 and the absolute value of the Basket Return. If the Basket Return is (i) ever less than Barrier Level 1 minus the Basket Strike Level, and (ii) less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the Basket Return.]

*[Performance Short – Type 1:* This structure is similar to the "Performance Long – Type 1", with the difference being that the positive performance of the Reference Assets within the Basket will have a negative impact on the return on the Notes.]

*[Performance Short – Type 2:* This structure is similar to the "Performance Long – Type 2", with the difference being that the positive performance of the Reference Assets within the Basket will have a negative impact on the return on the Notes.]

*[Performance Short – Type 3:* This structure is similar to the "Performance Long – Type 3", with the difference being that the positive performance of the Reference Assets within the Basket will have a negative impact on the return on the Notes.]

*[Best of/Worst of KI Performance Long – Type 1:* If the final price of the Nth best performance Reference Asset (where "N" is a number specified in the Final Terms) divided by the initial price of that Reference Asset is less than a Barrier Level, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of such Nth best performance Reference Asset and Participation Ratio 2. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is greater than or equal to a Barrier Level, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the higher of (i) the product of the Reference Asset Return of such Nth best performance Reference Asset and the Participation Ratio, and (ii) a pre-determined minimum return.]

*[Best of/Worst of KI Performance Long – Type 2:* If the final price of the Nth best performance Reference Asset (where "N" is a number specified in the Final Terms) divided by the initial price of that Reference Asset is less than Barrier Level 1, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of such Reference Asset and Participation Ratio. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is greater than or equal to Barrier Level 1, but less than Barrier Level 2, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by either (as will be specified in the Final Terms), (i) the applicable bonus coupon or (ii) the product of Participation Ratio 3 and the absolute value of the Basket Return. If the final price of the Nth best performance Reference Asset is greater than or equal to Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated

by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of such Reference Asset and Participation Ratio 2.]

*[Best of/Worst of KI Performance Long – Type 3: If the final price of the Nth best performance Reference Asset is greater than or equal to Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of such Reference Asset and Participation Ratio 2. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is (i) never less than Barrier Level 1 on any Valuation Date, and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by either (as will be specified in the Final Terms), (i) the applicable bonus coupon or (ii) the product of Participation Ratio 3 and the absolute value of the Basket Return. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is (i) ever less than Barrier Level 1 on any Valuation Date, and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of such Nth best performance Reference Asset and the Participation Ratio.]*

*[Best of/Worst of KI and Full Basket Performance Long – Type 1: This is similar to the "Best of/Worst of KI Performance Long – Type 1", except that the Redemption Amount (and any early redemption) is a multiple of the Basket Return, rather than the Reference Asset Return of the Nth best performing Reference Asset.]*

*[Best of/Worst of KI and Full Basket Performance Long – Type 2: This is similar to the "Best of/Worst of KI Performance Long – Type 2", except that the Redemption Amount (and any early redemption) is a multiple of the Basket Return, rather than the Reference Asset Return of the Nth best performing Reference Asset.]*

*[Best of/Worst of KI and Full Basket Performance Long – Type 3: This is similar to the "Best of/Worst of KI Performance Long – Type 3", except that the Redemption Amount (and any early redemption) is a multiple of the Basket Return, rather than the Reference Asset Return of the Nth best performing Reference Asset.]*

*[Best of/Worst of KI and Basket Performance Long - Type 1: If the final price of the Nth best performance Reference Asset (where "N" is a number specified in the Final Terms) divided by the initial price of that Reference Asset is less than a Barrier Level, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of the Nth best performing Reference Asset and Participation Ratio 2. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is greater than or equal to a Barrier Level, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the higher of (i) the product of the Basket Return and the Participation Ratio, and (ii) a pre-determined minimum return.]*

*[Best of/Worst of KI and Basket Performance Long – Type 2: If the final price of the Nth best performance Reference Asset (where "N" is a number specified in the Final Terms) divided by the initial price of that Reference Asset is less than Barrier Level 1, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the*

Reference Asset Return of the Nth best performing Reference Asset and the Participation Ratio. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is greater than or equal to Barrier Level 1, but less than Barrier Level 2, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by either (as will be specified in the Final Terms), (i) the applicable bonus coupon or (ii) the product of Participation Ratio 3 and the absolute value of the Basket Return. If the final price of the Nth best performance Reference Asset is greater than or equal to Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the higher of (i) the product of the Basket Return and Participation Ratio 2, and (ii) a pre-determined minimum return.]

*[Best of/Worst of KI and Basket Performance Long – Type 3:* If the final price of the Nth best performance Reference Asset is greater than or equal to Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the higher of (i) the product of the Basket Return and Participation Ratio 2; and (ii) a pre-determined minimum return. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is (i) never less than Barrier Level 1 on any Valuation Date, and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by either (as will be specified in the Final Terms), (i) the applicable bonus coupon or (ii) the product of Participation Ratio 3 and the absolute value of the Basket Return. If the final price of the Nth best performance Reference Asset divided by the initial price of that Reference Asset is (i) ever less than Barrier Level 1 on any Valuation Date, and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Reference Asset Return of such Nth best performance Reference Asset and the Participation Ratio.]

*[Locked Basket:* The Redemption Amount is calculated in a similar manner to the Basket Bullish structure, with the difference being that the returns generated by the best performing Reference Assets are replaced with a pre-determined value for the purposes of determining the overall performance of the Basket.]

*[Individually Capped Basket:* The Redemption Amount is calculated in a similar manner to the Basket Bullish structure, with the difference being that the return generated by each Reference Asset is subject to a pre-determined maximum percentage value for the purposes of determining the overall performance of the Basket.]

*[Rainbow Basket:* The Redemption Amount is calculated in a similar manner to the Basket Bullish structure, with the difference being that the weightings of each Reference Asset within the Basket are determined by reference to the relative performance of each Reference Asset. The returns of each Reference Asset are measured separately at maturity and ranked based on the relative performance. The weightings for each Reference Asset will correspond to the weightings set out against the relative ranking in the applicable Final Terms.]

*[Cliquet:* The Redemption Amount will be the sum of the Calculation Amount plus an additional return that is based upon the accumulated sum of the relative percentage changes in the underlying Basket for a number of pre-

determined valuation periods during the term of the Notes. The following features may also be used: (i) the relative changes in the underlying Basket can be capped and/or floored for each valuation period; (ii) the accumulated sum of the relative changes can be subject to a global cap/floor; and (iii) the product may have a lock-in feature which means that if the cumulative return on any valuation date has reached a pre-determined lock-in level, the additional return will be at least equal to the lock-in level.]

*[Reverse Cliquet:* This is very similar to the "Cliquet" structure but the additional return payable is calculated by subtracting the relative percentage changes in the underlying Basket (for a number of pre-determined valuation periods) from a pre-defined initial coupon.]

*[Replacement Cliquet:* This is very similar to the "Cliquet" structure, the difference being that the returns generated by a certain number of the best performing valuation periods are replaced by a pre-defined figure.]

*[Reverse Convertible Structure Long – Type 1:* The Redemption Amount will be the sum of the Calculation Amount of the Notes and, if, on the final Valuation Date, the Basket Return (determined on a long basis as described in "Basket Bullish" above) is less than a Barrier Level minus the Basket Strike Level, an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the Basket Return.]

*[KI Reverse Convertible Structure Long – Type 2:* If the Basket Return (determined on a long basis as described in "Basket Bullish" above) (i) is, on any Valuation Date, less than Barrier Level 1 minus the Basket Strike Level and (ii) is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the Basket Return. If the Basket Return (determined on a long basis as described in "Basket Bullish" above) (i) is never, on any Valuation Date, less than Barrier Level 1 minus the Basket Strike Level and (ii) is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the Calculation Amount. If the Basket Return is greater than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the Calculation Amount.]

*[Reverse Convertible Structure Short – Type 1:* The Redemption Amount will be the sum of the Calculation Amount of the Notes and, if, on the final Valuation Date, the Basket Return (determined on a short basis as described in "Basket Bearish" above) is less than a Barrier Level minus the Basket Strike Level, an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the Basket Return.]

*[KI Reverse Convertible Structure Short – Type 2:* If the Basket Return (determined on a short basis as described in "Basket Bearish" above) (i) is, on any Valuation Date, less than Barrier Level 1 minus the Basket Strike Level and (ii) is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the Basket Return. If the Basket Return (determined on a long basis as described in "Basket Bullish" above) (i) is never, on any Valuation Date, less than Barrier Level 1 minus the Basket Strike Level and (ii) is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the Calculation Amount. If the Basket Return is greater than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the

Calculation Amount.]

*[Best of/Worst of Reverse Convertible Structure Long – Type 1: The Redemption Amount is the Calculation Amount plus, only if the final price of the Nth best Performing Reference Asset divided by its initial price is less than the Barrier Level, an additional return calculated as the product of the Participation Ratio, the Calculation Amount of the Notes and the Reference Asset Return (determined on a long basis as described in "Basket Bullish" above) of the Nth best performing Reference Asset.]*

*[KI Best of/Worst of Reverse Convertible Structure Long – Type 2: The Redemption Amount is the Calculation Amount plus, only if the final price of the Nth best performing Reference Asset is (i) on any Valuation Date during the term of the Notes less than Barrier Level 1, and (ii) is less than Barrier Level 2 on the final Valuation Date, an additional return calculated as the product of the Participation Ratio, the Calculation Amount of the Notes and the Reference Asset Return (determined on a long basis as described in "Basket Bullish" above) of the Nth best performing Reference Asset.]*

*[Best of/Worst of Reverse Convertible Structure Short – Type 1: The Redemption Amount is the Calculation Amount plus, only if the final price of the Nth best Performing Reference Asset divided by its initial price is less than the Barrier Level, an additional return calculated as the product of the Participation Ratio, the Calculation Amount of the Notes and the Reference Asset Return (determined on a short basis as described in "Basket Bearish" above) of the Nth best performing Reference Asset.]*

*[KI Best of/Worst of Reverse Convertible Structure Short – Type 2: The Redemption Amount is the Calculation Amount plus, only if the final price of the Nth best performing Reference Asset is (i) on any Valuation Date during the term of the Notes less than Barrier Level 1, and (ii) is less than Barrier Level 2 on the final Valuation Date, an additional return calculated as the product of the Participation Ratio, the Calculation Amount of the Notes and the Reference Asset Return (determined on a short basis as described in "Basket Bearish" above) of the Nth best performing Reference Asset.]*

*[Basket Up and In Long: The Basket Up and In Long is a barrier call option. At maturity, the Noteholder receives an additional return, calculated as the product of the Calculation Amount of the Notes, and the higher of the Minimum Basket Return and the Basket Return multiplied by the Participation Ratio, if the Basket has, on any Valuation Date during the lifetime of the Notes, performed equal to or greater than or equal to the predefined Barrier Level. If the Barrier Level is not reached on any Valuation Date, the additional amount will equal zero and the Redemption Amount will equal the Calculation Amount of the Notes. The Barrier Level is always higher than the Basket Strike Level.]*

*[Basket Up and Out Long: the Basket Up and Out Long is a barrier call option. At maturity, the Noteholder receives an additional return, calculated as the product of the Participation Ratio, the Calculation Amount of the Notes, and the Basket Return, or, if higher, a pre-specified coupon level, if the Basket has never, on any Valuation Date during the lifetime of the Notes, performed above the predefined Barrier Level. If the Barrier Level is reached on any Valuation Date, the additional amount will be equal to a pre-specified coupon amount (Rebate) and the Redemption Amount will equal the Calculation Amount of the Notes. The Barrier Level is always higher than the Basket Strike Level.]*

*[Best of/Worst of Up and In Long: At maturity, the Noteholder receives an additional return, calculated as the product of the Participation Ratio, the Calculation Amount of the Notes, and either (i) the product of the Basket Return and the Participation Ratio, or (ii) the Reference Asset Return of the Nth best performing Reference Asset, as specified in the applicable Final Terms, if on any Valuation Date the Reference Asset Return of the Nth best*

performing Reference Asset is equal to or greater than a Barrier Level. This means that, if the Reference Asset Return of the Nth best performing Reference Asset is never on any Valuation Date equal to or greater than a Barrier Level, the Redemption Amount will equal the Calculation Amount of the Notes.]

*[Best of/Worst of Up and Out Long:* At maturity, the Noteholder receives an additional return, calculated as the product of the Participation Ratio, the Calculation Amount of the Notes, and either (i) the Basket Return, or (ii) the Reference Asset Return of the Nth best performing Reference Asset, as specified in the applicable Final Terms, or, if higher, a pre-specified coupon level, if the Nth best performing Reference Asset (Principal) has never, on any Valuation Date during the lifetime of the Notes, performed above the predefined Barrier Level. If the Barrier Level is reached on any Valuation Date, the additional amount will be equal to a pre-specified coupon amount (Rebate) and the Redemption Amount will equal the Calculation Amount of the Notes. The Barrier Level is always higher than the Basket Strike Level.]

*[Worst of Down and Out Basket Long:* The Worst of Down and Out Basket Long redemption basis is a barrier call option. At maturity, the Noteholder receives an additional return, calculated as the product of the Participation Ratio, the Calculation Amount of the Notes, and the Basket Return, or, if higher, a pre-specified coupon level, if, on any Valuation Date during the lifetime of the Notes, the worst performance of a Reference Asset has not fixed at or below a predefined Barrier Level. If the Barrier Level is reached on any Valuation Date, the additional amount will be equal to a pre-specified coupon amount (Rebate) and the Redemption Amount will equal the Calculation Amount of the Notes. The Barrier Level is always lower than the Basket Strike Level.]

*[Down and Out Basket Long:* The Down and Out Basket Long redemption basis is a barrier call option. At maturity, the Holder receives an additional return, calculated as the product of the Participation Ratio, the Calculation Amount of the Notes, and the Basket Return, or, if higher, a pre-specified coupon level, if the Basket has never, on any Valuation Date during the lifetime of the Notes, performed at or below the predefined Barrier Level. If the Barrier Level is reached on any Valuation Date, the additional amount will be equal to a pre-specified coupon amount (Rebate) and the Redemption Amount will equal the Calculation Amount of the Notes. The Barrier Level is always lower than the Basket Strike Level.]

*[Best of/Worst of Call Option:* At maturity, the Noteholder receives an additional return, calculated as the product of the Participation Ratio, the Calculation Amount of the Notes, and the higher of (i) the product of the Reference Asset Return of the Nth best performing Reference Asset and the Participation Ratio, or (ii) a pre-determined minimum return.]

*[Outperformance Option:* the Outperformance Option offers the investor the possibility of a ranked return on a Basket of underlying Reference Assets. Whereas the pay out of a normal basket structure is dependent on the absolute performance of Basket consisting of one or more Reference Assets, the pay out of an outperformance basis is dependent on the relative performance of two separate Baskets (one of which will be determined in accordance with "Basket Bullish" above, and the other of which will be determined in accordance with "Basket Bearish" above), not on the absolute performance of either Basket.]

*[Series of Digitals:* The Redemption Amount is affected by the percentage of Reference Assets within the Basket that are above a Barrier Level on each business day up to and including the relevant Valuation Date.]

*[Delta 1:* The Redemption Amount will be equal to the redemption proceeds received upon a redemption of all Reference Assets in the Basket by the holder of such Reference Assets less (i) a structuring fee payable to the

Issuer and (ii) any applicable taxes. A Delta 1 redemption basis effectively replicates the gains or losses that an investor would realise through a direct holding of the relevant Reference Assets. If it is not possible for the hedging entity to redeem the Reference Assets before the scheduled maturity date or if the hedging entity determines that it will not receive the full amount of the redemption proceeds before the scheduled maturity date, a deferred redemption will occur and the Issuer may make a partial redemption of the Notes as and when the relevant hedging party receives a material part of the redemption proceeds, or cancel the Notes without making any payment to the holders if the Issuer determines that the redemption proceeds will not be received prior to the specified long-stop date.]

*[Bearish One Touch redemption basis 2 – Type 1: The Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount, which will only be payable if the Basket Return (determined on a long basis as described in "Basket Bullish" above) is less than a Barrier Level on any Valuation Date, calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the higher of the Basket Return and a pre-determined coupon. This means that if the Barrier Level is never breached on any Valuation Date, the additional payout equals zero and the Redemption Amount will equal the Calculation Amount of the Notes.]*

*[Bearish One Touch redemption basis 2 – Type 2: The Redemption Amount will be the sum of the Calculation Amount of the Notes and an additional amount, which will only be payable if the Basket Return (determined on a short basis as described in "Basket Bearish" above) is less than a Barrier Level on any Valuation Date, calculated by multiplying the Calculation Amount of the Notes by the product of the Participation Ratio and the higher of the Basket Return and a pre-determined coupon. This means that if the Barrier Level is never breached on any Valuation Date, the additional payout equals zero and the Redemption Amount will equal the Calculation Amount of the Notes.]*

*[Non-Tranched CLN: the Redemption Amount and, if relevant, interest payments, are based on the weighted losses in the same or different portfolios of Reference Entities as a result of the occurrence of one or more Credit Events and shall, if applicable, be reduced on account of a proportionate share of all costs, expenses, tax and duties incurred by the Issuer in connection with the early redemption of the Notes (including hedging costs).]*

*[Tranched CLN: the Redemption Amount and, if relevant, interest payments, are based on the weighted losses in the same or different portfolios of Reference Entities as a result of the occurrence of one or more Credit Events and shall, if applicable, be reduced on account of a proportionate share of all costs, expenses, tax and duties incurred by the Issuer in connection with the early redemption of the Notes (including hedging costs). The occurrence of a Credit Event may have no impact or a more proportional impact on the Redemption Amount and, if relevant, interest payments. The Tranche feature is used to determine the portion of losses to which a Noteholder will be exposed in the event of a Credit Event affecting one or more Reference Entities.]*

*[Nth to Default CLN: the Redemption Amount and, if relevant, interest payments, are based on the number and potentially the order of Credit Events in the same Reference Entity portfolio and shall, if applicable, be reduced on account of a proportionate share of all costs, expenses, tax and duties incurred by the Issuer in connection with the early redemption of the Notes (including hedging costs). For Nth to Default CLNs, while the occurrence of the N-1 Credit Events has no impact on the Redemption Amount and (if any) interest payments, the Nth Credit Event will have a more than proportional impact on these figures. The value of N will be specified in the applicable*

Final Terms.]

[*Nth and Nth+1 to Default CLN*: the Redemption Amount and, if relevant, interest payments, are based on the number and potentially the order of Credit Events in the same Reference Entity portfolio and shall, if applicable, be reduced on account of a proportionate share of all costs, expenses, tax and duties incurred by the Issuer in connection with the early redemption of the Notes (including hedging costs). For Nth to Default CLNs, while the occurrence of the N-1 Credit Events has no impact on the Redemption Amount and (if any) interest payments, the Nth and Nth +1 Credit Events will have a more than proportional impact on these figures. The value of N will be specified in the applicable Final Terms.]

[*Physically Settled CLN*: if a Credit Event occurs, each note will be redeemed by delivery of a principal amount of debt obligations (selected by the Issuer) of the Reference Entity equal to the principal amount of a Note (provided that the number of such deliverable obligations deliverable to Noteholders will be rounded down to the nearest whole unit of such obligations) and shall, if applicable, be reduced on account of a proportionate share of all costs, expenses, tax and duties incurred by the Issuer in connection with the early redemption of the Notes (including hedging costs).]

[*Accelerated CLN Payment*: if a Credit Event occurs and the recovery value of the relevant Reference Entity is determined prior the scheduled maturity date of the Notes, the Issuer may elect to redeem the Notes early.]

*Combination of Structures*: the Issuer may elect to combine one or more of the redemption bases described above in relation to a particular issue of Notes. In such a case, the total Redemption Amount payable to Noteholders will equal the sum of the various Redemption Amounts that are applicable, multiplied in each case by a fraction which represents the overall share of the total return which the Issuer intends each redemption basis to contribute.

[*Not applicable / Combination of Structures is Applicable.*]

#### ***Redemption Basis Modifiers***

[For the above payout / For each of the above payouts], the calculation of the Redemption Amount may [not be modified. / be modified if the following is applicable:

["*Maximum Redemption Amount*": if "*Maximum Redemption Amount*" is applicable to one or more redemption bases set out above, the Redemption Amount will be subject to a pre-determined maximum redemption amount, which acts as a cap on the investor's possible return.

"*Maximum Redemption Amount*" is [applicable [where "*Combination of Structures* is applicable, insert relevant redemption bas(is)(es)]/Not applicable]

["*Minimum Redemption Amount*": if "*Minimum Redemption Amount*" is applicable to one or more redemption bases set out above, the Redemption Amount will be subject to a pre-determined minimum redemption amount, which acts as a floor on the investor's possible return.

"*Minimum Redemption Amount*" is [applicable [where "*Combination of Structures* is applicable, insert relevant redemption bas(is)(es)]/Not applicable]

["*Inflation-Protected Principal*": if "*Inflation-Protected Principal*" is applicable to one or more redemption bases set out above, the Redemption Amount will be multiplied by the performance of a specified inflation measure, such as the consumer price index, during the term of the Note.]

"*Inflation-Protected Principal*" is [applicable [where "*Combination of Structures*

		<p><i>is applicable, insert relevant redemption bas(is)(es)]/Not applicable]]</i></p> <p><i>["FX Components": if "FX Components" is applicable to one or more redemption bases set out above, the Basket Return will be adjusted by replacing the Reference Asset(s) by a FX Rate(s), reflecting the variation in one or more foreign exchange rates during the relevant time periods being measured or observed.]</i></p> <p><i>["Best of/Worst of Modifier": if the Best Of/Worst Of Modifier is applied to one or more redemption bases set out above, then the relevant observations, valuations and calculations of the Redemption Amount shall be determined by reference to the performance of the Nth best performing Reference Asset, rather than the Basket as whole. N will be a pre-determined value that is specified in the Final Terms.</i></p> <p><i>“Best of/Worst of Modifier” is [applicable [where "Combination of Structures is applicable, insert relevant redemption bas(is)(es)]/Not applicable]]</i></p> <p><i>["Outperformance Modifier" if the Outperformance Modifier is applied to one or more redemption bases set out above, then references to the "Basket Return" in the calculation of the Redemption Amount under such redemption basis will be replaced by references to the "Performance Differential", which will be equal to the performance of a long basket of Reference Assets minus the performance of a short basket of Reference Assets (subject in each case to a pre-determined minimum performance (if applicable).</i></p> <p><i>“Outperformance Modifier” is [applicable [where "Combination of Structures is applicable, insert relevant redemption bas(is)(es)]/Not applicable]]</i></p> <p><b><i>Autocall</i></b></p> <p><i>Notes to which an "Autocall" trigger applies will be redeemed early at their Early Redemption Amount if the applicable "Autocall Condition" is satisfied. The application of an autocall trigger may have the effect of limiting an investor's potential gain or loss (as the case may be) from its investment in the Notes.</i></p> <p><i>If applicable, the Autocall condition will be satisfied if (as specified in the Final Terms), on any of the specified Autocall Valuation Date(s), the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (where "N" is a number specified in the Final Terms) either (i) is greater/lower than or equal to one or more specified autocall barrier levels, or (ii) has always been greater/lower than or equal to one or more specified autocall barrier levels during the period from (but excluding) the previous Autocall Valuation Date ending on (and including) such Autocall Valuation Date, or (iii) is within the specified range on such Autocall Valuation Date.</i></p> <p><i>[The Notes are subject to early redemption if the Autocall Condition is satisfied. The Autocall Condition will be satisfied if, on any Autocall Valuation Date, the [Basket Value] [Reference Asset Value] [Nth] best performing Reference Asset Value [is greater/lower than or equal to one or more specified autocall barrier levels]] [has always been greater/lower than or equal to [one or more specified autocall barrier levels] during the period from (but excluding) the previous Autocall Valuation Date ending on (and including) such Autocall Valuation Date] [ is within the [specified range] on such Autocall Valuation Date.</i></p>
<p><b>C.11</b></p>	<p><b>Listing and admission to trading</b></p>	<p><i>Notes may be listed and admitted to trading on a regulated market in [Ireland] [Portugal] [United Kingdom].</i></p> <p><i>[Application [has been/is expected to be] made by the Issuer to list the Notes on the [official list of the [Irish Stock Exchange] [United Kingdom Listing Authority]] [NYSE Euronext Lisbon] [specify other stock exchange] [and for admission to trading on the [regulated market] of the [Irish Stock Exchange] [London Stock Exchange] [NYSE Euronext Lisbon] [specify other stock exchange].]</i></p>

		<p><i>[Not applicable; the Notes are not intended to be listed or admitted to trading.]</i></p> <p>Distribution</p> <p><i>[Notes may be offered to the public in [Portugal] [Ireland] [specify Relevant Member State].]</i></p> <p><i>[The Notes are to be offered to the public in [Portugal] [Ireland] [specify Relevant Member State].]</i></p> <p><i>[Not applicable; the Notes are not intended to be offered to the public.]</i></p>
<b>C.15</b>	<b>Description of how the value of the investment is affected by the value of the underlying instrument unless the securities have a denomination of at least € 100,000</b>	<p>The value of the Notes will be determined by reference to the value of the underlying and the redemption basis that is applicable to the Notes. Details on the various redemption bases and the relationship between the value of the Notes and the value of the underlying in each case are set out in Element C.10.</p> <p><i>Details of the applicable redemption basis and the return on the Notes are set out in Element C.10.</i></p> <p>The structure of the Notes may contain a participation ratio which is used to determine the exposure to the respective Reference Asset(s), i.e. the proportion of the change in value which accrues to the investor in each individual Note. The Participation Ratio is set by the Relevant Issuer and is determined by, among other things, the term, volatility, market interest rate and expected return on the Reference Asset.</p> <p><i>[Not applicable – Notes have a denomination of at least € 100,000]</i></p> <p><i>The [indicative] Participation Ratio [2] [3] is: [ ]</i></p>
<b>C.16</b>	<b>Expiration or maturity date of the securities</b>	<p>Subject to early redemption, the exercise date (or the final Maturity Date) will be the scheduled maturity date of the Notes.</p> <p><i>The scheduled maturity date of the Notes is [ ].</i></p>
<b>C.17</b>	<b>Settlement procedure of the derivative securities</b>	<p>Notes that are derivative notes will be delivered on the specified issue date either against payment of the issue price or free of payment of the issue price of the Notes. The Notes may be cleared and settled through Euroclear Bank SA/NV, Clearstream Banking S.A. or Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A..</p> <p><i>[Not applicable – the Notes are not derivative securities]</i></p> <p><i>[Notes will be delivered on [ ] (the "Issue Date") [against payment] [free of payment] of the issue price of the Notes].</i></p> <p><i>[The Notes are cleared and settled through [Euroclear Bank SA/NV] [Clearstream Banking S.A.] [Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.].]</i></p>
<b>C.18</b>	<b>Description of how the return on derivative securities takes place</b>	<p>The return or Redemption Amount that is payable to investors will be determined by reference to the performance of the underlying Reference Asset(s)/Reference Entit(y)(ies) within a particular interest basis and/or redemption basis that is applicable to the Notes. Details on the various interest and redemption bases are set out in elements C.9 and C.10.</p> <p><i>[Not applicable – the Notes are not derivative securities]</i></p> <p><i>[Details of the applicable interest and redemption bas(is)(es) and the return on the Notes are set out in Elements C.9 and C.10.]</i></p>
<b>C.19</b>	<b>Final reference price of the underlying</b>	<p>The final reference price of the relevant Reference Asset[s]/Reference Entit[y] [ies] will have an impact on the Redemption Amount that is payable to investors. The final reference price will be determined on the applicable Valuation Date(s) set out in the relevant Final Terms.</p> <p><i>[The final reference price of the Reference Asset(s) will be calculated as the [closing price] [average of the closing prices] as published by [•] on each of the</i></p>

		<p>[•], [•] and [•]].</p> <p><i>[The final reference price of any Reference Entity in respect of which a credit event has occurred will be equal to the final price determined under the auction administered in respect of such Reference Entity and such credit event by the International Swaps and Derivatives Association, Inc. or, of no such auction takes place, will be determined by the Relevant Issuer acting in good faith and in a commercially reasonable manner.]</i></p>
C.20	<b>Type of underlying</b>	<p>The underlying may constitute one or a combination of the following: equities, shares (including private equity)/depository receipts, indices (including inflation indices), interest rates, reference credits, indices, funds, commodities or currencies.</p> <p><i>The type[s] of underlying [is/are]: [ ]. Information on [ ] can be found on [Bloomberg Screen [ ] [Reuters Screen [ ] Page] [ ] [ and at www.[ ].]</i></p>
C.21	<b>Market where trades</b>	<p>Notes may be listed and admitted to trading on the regulated market in Ireland [or Portugal] [or United Kingdom].</p> <p><i>[Application [has been/is expected to be] made by the Issuer to list the Notes on the [official list of the [Irish Stock Exchange] [United Kingdom Listing Authority]] [NYSE Euronext Lisbon] [specify other stock exchange] [and for admission to trading on the [regulated market] of the [Irish Stock Exchange] [London Stock Exchange] [NYSE Euronext Lisbon] [specify other stock exchange].]</i></p> <p><i>[Not applicable; the Notes are not intended to be listed or admitted to trading.]</i></p> <p>Distribution</p> <p><i>[Notes may be offered to the public in [Portugal] [Ireland] [specify Relevant Member State].]</i></p> <p><i>[The Notes are to be offered to the public in [Portugal] [Ireland] [specify Relevant Member State].]</i></p> <p><i>[Not applicable; the Notes are not intended to be offered to the public.]</i></p>
<b>Section D – Risks</b>		
D.2	<b>Key information on the key risks that are specific to the Issuer</b>	<p>In purchasing Notes, investors assume the risk that the relevant Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the relevant Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the relevant Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the relevant Issuer’s control. The Issuers have identified in the Offering Circular a number of factors which could materially adversely affect its respective business and ability to make payments due under the Notes. These factors include:</p> <p><b><u>Risks relating to Haitong Group’s Business</u></b></p> <p><b><i>Credit risk mitigation and asset quality maintenance</i></b></p> <p>Sustainability of Haitong Group’s (or the “<b>Group</b>”, which means Haitong Securities Co., Ltd. and its subsidiaries, including Haitong International Holdings Limited and the Issuers) business and future growth largely depends on its ability to effectively manage its credit risk and maintain the quality of its assets portfolio. As such, any deterioration in its asset quality or impairment in the collectability or the deterioration of the Group’s portfolio could materially and adversely affect its results of operations.</p> <p>The Group may not effectively mitigate credit risk and maintain its asset quality, which may materially and adversely affect its business, financial condition and</p>

	<p>results of operations.</p> <p><b><i>Capital industry and cash flow position of Haitong Group</i></b></p> <p>Investment banking, proprietary trading, direct investment, margin financing and securities lending and financial leasing businesses carried out by the Group may result in significant holdings of selected asset classes or bank and other borrowings, which may lead to concentration and market risks.</p> <p>Also, the Group is exposed to interest rate risk associated with its interest income, interest expenses and fixed income securities, which are directly linked to market interest rates. Significant interest rate fluctuations could reduce the Group's interest income or returns on fixed income investments, or increase its interest expenses, any of which could adversely affect its financial condition and results of operations.</p> <p><b><i>Finance of operations and expansion plans</i></b></p> <p>The business of the Group is exposed to the risk that its counterparties fail to perform their contractual obligations or that the value of collateral held to secure obligations is not sufficient, and any material non-performance by a counterparty could adversely affect the financial position, results of operations and cash flows of the Group.</p> <p>The Group is also subject to credit risk associated with its for-sale investments and financial assets held to maturity, which are linked to price fluctuations, delinquency and default rates, which could adversely affect the financial condition and results of operations of the Group.</p> <p>Also, the Group has continued to expand the range of services and products provided and its business to include certain developing businesses. The Group's expansion plans carry new and challenging risks, such as inexperience, greater regulatory scrutiny, levels of service, inability to hire qualified personnel and insufficient funding, and the inability of the Group to achieve its commercial results may have an adverse and material impact on its business, financial conditions and results of operations.</p> <p><b><i>Interest rate fluctuations</i></b></p> <p>Payments made by the Group on deposits it holds on behalf of its customers, its short-term borrowings, other financing obligations and repurchases transactions are interest expenses which are directly linked to market interest rates. During periods of rising interest rates, the interest expenses and financing costs of the Group would generally increase. Fixed income securities held by the Group are also directly linked to market interest rates and, during periods of rising interest rates, market prices and its investment returns on fixed income securities will generally decrease. Therefore, significant interest rate fluctuation may adversely and materially affect the Group's financial condition and results of operations.</p> <p><b><i>Failure to comply with applicable law</i></b></p> <p>As a player in the securities and financial services industry, the Group is subject to and shall comply with all applicable regulatory requirements, such as capital requirements, limitation to products and services offered, restrictions applicable to securities investment and rules applicable to expansion of financial and securities business.</p> <p>Failure to meet all the applicable regulatory requirements, or comply with all the applicable regulations and guidelines, at all times, could result in sanctions, fines, penalties or other disciplinary actions, including, among other things, a downgrade of its regulatory rating and limitations or prohibitions on the future business activities of the Group, which could adversely affect the Group's ability to conduct its business.</p> <p><b><i>General economic and market conditions</i></b></p> <p>The Group's entire revenue is substantially derived from securities markets and</p>
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	<p>general economic and political conditions, and is therefore subject to market volatility, trading volume fluctuations, credit capacity, credit worthiness of the securities industry, macroeconomic and monetary policies, business and financial trends, inflation, currency fluctuations, cost of funding and interest rate variation.</p> <p>Unfavourable economic and financial conditions globally may have an adverse impact on the Group's results of operations and financial conditions.</p> <p><b><i>Liquidity decrease</i></b></p> <p>The Group meets its liquidity needs primarily through cash generated by operating activities and, to a lesser extent, cash provided by external financing. A reduction in the liquidity of Haitong Group could reduce the confidence of its customers or counterparties in it, which may result in loss of business and customer accounts.</p> <p>Also, failure to comply with regulatory capital requirements in the PRC may result in the Group incurring penalties or having the scope of its business limited which could have a material and adverse effect on its financial condition and results of operations.</p> <p>Additionally, as most of the revenue generated overseas by the Group results from its operation in Hong Kong, its overseas business depends on, to a large extent, the results of operations of Haitong International Securities and the other subsidiaries of the Group incorporated in Hong Kong. However, there is no guarantee that Haitong International Securities and the Group's other Hong Kong operations may continue to experience the same level of growth or profitability, and a decrease in such growth could have an adverse and material impact on the Group's business, financial condition, results of operations and prospects.</p> <p><b><u>Risks relating to the Issuers</u></b></p> <p><b><i>Global Credit Market Conditions</i></b></p> <p>Risks related to the European economic crisis have had, and may continue to have, a negative impact on global economic activity and the financial markets. If these conditions continue to persist, or should there be any further turbulence in these or other markets, this could have a material adverse effect on Haitong Bank's ability to access capital and liquidity on financial terms acceptable to Haitong Bank.</p> <p>The impact of the ongoing economic uncertainty and volatility in the global markets could be detrimental to Haitong Bank and its business and activity and could adversely affect the value and liquidity of the Notes and the ability of Haitong Bank to meet its obligations under the Notes and under its debt obligations more generally.</p> <p><b><i>Credit portfolio</i></b></p> <p>Credit and market risks are managed on a consolidated basis by Haitong Bank and all of its subsidiary holdings, including HIIP. Adverse changes in the credit quality of Haitong Bank's borrowers and counterparties or a decrease in collateral values are likely to affect the recoverability and value of Haitong Bank's assets and require an increase in its individual provisions and potentially in collective provisions for impaired loans.</p> <p><b><i>Derivatives portfolio</i></b></p> <p>The Issuers are exposed to credit risk related to their portfolio of interest rate, exchange rate and equity derivatives.</p> <p><b><i>Fixed income portfolio</i></b></p> <p>The Issuers are exposed to credit risk related to their fixed income portfolio.</p> <p><b><i>Emerging markets risk</i></b></p> <p>The Issuers are exposed to emerging markets risk.</p>
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		<p><b><i>Portuguese economic situation</i></b></p> <p>Haitong Bank is exposed to the macroeconomic conditions in Portugal, such as the expected high unemployment rates, the low profitability and the high level of indebtedness of companies and an increase in company and personal insolvencies and cannot foresee what impact such conditions or other additional measures may have on the Noteholders and prospective investors.</p> <p><b><i>Interest rate volatility</i></b></p> <p>Haitong Bank is particularly exposed to differentials between the interest rates paid by Haitong Bank group (hereinafter “<b>Haitong Bank Group</b>”, which means Haitong Bank and its subsidiaries, including HIIP) and the interest rates that it is able to charge to customers and other banks and therefore frequently experiences difficulties in adjusting the interest rates that it pays in line with market interest rate changes.</p> <p>Significant changes or volatility in interest rates could have a material adverse impact on the business, financial condition or results of operations of Haitong Bank Group.</p> <p><b><i>Proprietary trading</i></b></p> <p>Haitong Bank engages in various activities for its own account. Any reduction in the fair value of financial assets would require Haitong Bank to recognise a loss, thereby having the effect of reducing Haitong Bank’s Common Equity Tier 1 ratio and solvency ratios and negatively impacting Haitong Bank’s results of operations.</p> <p><b><i>Credit risk</i></b></p> <p>Adverse changes in the credit quality of Haitong Bank’s borrowers and counterparties affect the recovery rate and value of Haitong Bank’s assets and could require an increase in provisions for credit impairment.</p> <p><b><i>Reputational risks</i></b></p> <p>Haitong Bank is exposed to the risk that negative publicity or negative public opinion could have a material impact on its business, financial position or value of its shares.</p> <p><b><i>Hedging operations may not avoid losses or be effective</i></b></p> <p>Haitong Bank undertakes hedging operations, but cannot assure its hedging strategies will be successful.</p> <p><b><i>The Issuers are subject to applicable regulatory capital requirements</i></b></p> <p>The Issuers are subject to and are required to comply at all times with regulatory requirements in respect of their own funds, covering solvency ratio and own funds prudential limits. Cash generated by the Issuers’ operating activities may not suffice to meet applicable liquidity or regulatory capital needs, and therefore the Issuers may need to seek external financing and support, which may be adversely affected by periods of disruption in the credit and capital markets and may represent an increase of the borrowing costs for the Issuers.</p> <p>Increased regulatory capital requirements and the inability of the Issuers to at all times comply with applicable regulatory capital requirements may adversely affect their liquidity position and/or ability to satisfy their obligations under the Notes.</p> <p><b><i>Operational risks</i></b></p> <p>Failure in Haitong Bank Group’s operational risk management and control policies could have a material adverse effect on its financial condition and results of operations.</p>
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D.3	<p><b>Key information on the key risks that are specific to the Securities</b></p>	<p>There are also risks related to any issue of Notes under the Programme and specific types of Notes, which prospective investors should carefully consider and make sure they understand prior to making any investment decision with respect to the Notes, including:</p> <ul style="list-style-type: none"> <li>• <i>Complexity of the product</i> – the interest bases and/or redemption bases for structured Notes are sometimes complex and may contain mathematical formulae or relationships which, for an investor, may be difficult to understand and compare with other investment alternatives. In addition, the relationship between yield and risk may be difficult to assess.</li> <li>• <i>Notes which are not principal protected</i> – Notes that are not principal protected may be issued under the Programme. If the Note is not principal protected, there is no guarantee that the return that an investor receives on the Notes upon their redemption will be greater than or equal to the principal amount.</li> <li>• <i>Pricing of structured Notes</i> – the pricing of structured notes is normally decided by the relevant Issuer rather than being determined on the basis of negotiated terms. There may, therefore, be a conflict of interest between the relevant Issuer and the investors, to the extent that the relevant Issuer is able to influence pricing and is looking to make a gain or avoid a loss in relation to the underlying Reference Assets. The Issuer does not have a fiduciary duty to act in the best interests of Noteholders.</li> <li>• <i>Performance of the Reference Assets</i> – with structured Notes, the Noteholder's right to yield and sometimes the repayment of principal depends on the performance of one or more Reference Assets and the applicable interest bases and/or redemption bases. The value of a structured Note will be affected by the value of the Reference Assets at specific points during the term of the relevant Notes, the intensity of the price fluctuations of the Reference Asset(s), expectations regarding future volatility, market interest rates and expected distributions on the Reference Asset(s).</li> <li>• <i>Currency fluctuations</i>. Foreign exchange rates may be affected by complex political and economic factors, including relative rates of inflation, interest rate levels, the balance of payments between countries, the extent of any governmental surplus or deficit and the monetary, fiscal and/or trade policies pursued by the governments of the relevant currencies. Currency fluctuations may affect the value or level of the Reference Assets in complex ways. If such currency fluctuations cause the value or level of the Reference Assets to vary, the value or level of the Notes may fall. If the value or level of one or more Reference Asset(s) is denominated in a currency that is different from the currency of the Notes, investors in the Notes may be subject to increased foreign exchange risk. Previous foreign exchange rates are not necessarily indicative of future foreign exchange rates.</li> <li>• <i>Equities as Reference Assets</i> – equity-linked Notes are not sponsored or promoted by the Issuer of the equities. The equity Issuer does not, therefore, have an obligation to take into account the interests of the investors in the Notes and so the actions of such equity Issuer could adversely affect the market value of the Notes. The investor in the Notes is not entitled to receive any dividend payments or other distributions to which a direct holder of the underlying equities would otherwise be entitled.</li> <li>• <i>Indices as Reference Assets</i> – Notes that reference indices as Reference Assets may receive a lower payment upon redemption of such Notes than an investor would have received if he or she had invested directly in the equities/assets that comprise the index. The sponsor of any index can add, delete, substitute components or make methodological changes that could affect the level of such index and hence the return that is payable to investors in the Notes.</li> </ul>
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		<ul style="list-style-type: none"> <li>• <i>Commodities as Reference Assets</i> – trading in commodities is speculative and may be extremely volatile as commodity prices are affected by factors that are unpredictable, such as changes in supply and demand relationships, weather patterns and government policies. Commodity contracts may also be traded directly between market participants "over-the-counter" in trading facilities that are subject to minimal or no substantive regulation. This increases the risks relating to the liquidity and price histories of the relevant contracts. Notes that are linked to commodity future contracts may provide a different return than Notes linked to the relevant physical commodity, as the price of a futures contract on a commodity will generally be at a premium or at a discount to the spot price of the underlying commodity.</li> <li>• <i>ETFs as Reference Assets</i> – where the underlying is an exchange traded fund (ETF), investors may receive no interest or a limited amount of interest, a change in value of the ETF/ETFs may result in an early redemption or cancellation of their Notes, payment of principal or interest or the settlement amount or delivery of any specified assets may occur at a different time than expected and they may lose all or a substantial portion of their investment. In addition the movements in the price of units or shares in the ETF or ETFs may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the units or shares in the ETF or ETFs may affect the actual return to investors, even if the average level is consistent with their expectations. In addition the ETF interests may be illiquid and this may adversely affect returns (if any) on the Notes.</li> <li>• <i>Exposure to a basket of Reference Assets</i> – where the underlying is a basket of Reference Assets, the investors bear the risk of the performance of each of the basket constituents. Where there is a high level of interdependence between the individual basket constituents, any move in the performance of the basket constituents will exaggerate the performance of the Notes. Moreover, a small basket or an unequally weighted basket will generally leave the basket more vulnerable to changes in the value of any particular basket constituent. Any calculation or value that involves a basket with "best of" or "worst of" features may produce results that are very different to those that take into account the performance of the basket as a whole.  <i>Credit-Linked Notes</i> – an investment in credit-Linked Notes entails exposure to the credit risk of a particular Reference Entity or basket of Reference Entities in addition to that of the relevant Issuer. A fall in the creditworthiness of a Reference Entity can have a significant adverse impact on the market value of the related Notes and any payments of principal/interest due. Upon the occurrence of a Credit Event, the relevant Issuer's obligation to pay principal may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Entity and shall, if applicable, be reduced on account of a proportionate share of all costs, expenses, tax and duties incurred by the Issuer in connection with the early redemption of the Notes (including hedging costs). As none of the Reference Entities contributed to the preparation of the Offering Circular, there can be no assurance that all material events or information regarding the financial performance and creditworthiness of Reference Entities have been disclosed at the time the Notes are issued.</li> <li>• <i>Automatic early redemption</i> – certain types of Notes will be automatically redeemed prior to their scheduled maturity date if certain conditions are met. In some circumstances, this may result in a loss of part or all an investor's investment.</li> <li>• <i>Notes subject to optional redemption by the Issuer</i> – an optional redemption feature is likely to limit the market value of the Notes.</li> <li>• <i>Notes issued at a substantial discount or premium</i> – the market value of Notes of this type tends to fluctuate more in relation to general changes in</li> </ul>
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		<p>interest rates than do prices for conventional interest-bearing securities.</p> <ul style="list-style-type: none"> <li>• <i>Leverage</i> – Notes with a participation ratio greater than one are leveraged investments, increasing the exposure of the investors to the performance of the relevant Reference Asset(s) and increasing the risk that an investor will lose some, or all, of its investment.</li> <li>• <i>Physical settlement</i> – The risk of delivery of the relevant asset or property will be at the risk of the Noteholders and where any settlement disruption or other intervening event occurs this may mean that physical settlement cannot be made.</li> <li>• <i>Switch option for interest</i> – Where the Notes bear interest at a rate that the relevant Issuer may elect to convert to a fixed rate or where the Notes automatically convert to a fixed rate following satisfaction of certain conditions, the fixed rate may be lower than the prevailing interest on the Notes and, notwithstanding that a different redemption basis may be specified, in either case the resulting redemption may be at par.</li> </ul> <p>There are also certain risks relating to the Notes generally, such as modification, waivers and substitution, risks relating to subordinated Notes and the impact of Basel Committee reforms on subordinated debt (CRD IV and BRRD), loss of investment, FATCA compliance and change of law.</p>
<b>D.6</b>	<b>Risk warning that investors may lose value of entire investment or part of it</b>	<p>An investment in relatively complex securities such as the Notes involves a greater degree of risk than investing in less complex securities. In particular, in some cases, investors may stand to lose the value of their entire investment or part of it, as the case may be.</p> <p><i>[The capital invested in the Notes is at risk. Consequently, investors may lose the value of their entire investment, or part of it.]</i></p> <p><i>[Not applicable; subject to the creditworthiness of the Issuer, the capital invested is not at risk.]</i></p> <p><i>[Not applicable – the Notes are not derivative securities.]</i></p>
<b>Section E – Other</b>		
<b>E.2b</b>	<b>Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks</b>	<p>The net proceeds from each issue of Notes will be applied by the Relevant Issuer in the ordinary course of its business which includes making a profit. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.</p> <p><i>The net proceeds of the issue will be used for: [ ]</i></p>
<b>E.3</b>	<b>Description of the terms and conditions of the offer</b>	<p>If so specified in the relevant Final Terms, the Notes may be offered to the public in a Non-exempt Offer in one or more specified Public Offer Jurisdictions.</p> <p>The terms and conditions of any Non-Exempt Offer may be determined by agreement between the Issuer and the Dealer or any Relevant Dealers at the time of each issue, as specified in the applicable Final Terms.</p> <p>Offers of the Notes are conditional upon their issue. An investor intending to acquire or acquiring any Notes in a Non-exempt Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations and settlement arrangements.</p> <p><i>[Not Applicable - the Securities are not being offered to the public.]</i></p> <p><i>[The issue price of the Notes is [ ] per cent. of their nominal amount.]</i></p> <p><i>[Summarise the terms of any Non-exempt Offer as set out in paragraph 11 of</i></p>

		<i>Part B of the Final Terms.]</i>
<b>E.4</b>	<b>Description of any interest material to the issue/offer, including conflicting interests</b>	<p>The Dealer, any Relevant Dealers or any Authorised Offerors may be paid fees in relation to the issue of the Notes under the Programme.</p> <p><i>[So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer] [ ].</i></p>
<b>E.7</b>	<b>Estimated expenses charged to investor by issuer/offeror</b>	<p>It is not anticipated that the Relevant Issuer will charge any expenses to investors in connection with any issue of Notes. Other Authorised Offerors may, however, charge expenses to investors. Any expenses chargeable by an Authorised Offeror to an investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer. Such expenses (if any) will be determined on a case by case basis.</p> <p><i>[No expenses are being charged to an investor in the Notes by the Issuer [or any Authorised Offeror]./The Authorised Offeror(s) will charge expenses to investors. The estimated expenses chargeable to investors by the Authorised Offeror(s) are [ ].]</i></p>

## RISK FACTORS

*Each of HIIP and Haitong Bank believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and neither HIIP nor Haitong Bank is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of the Issuers believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of either of the Issuers to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and neither HIIP nor Haitong Bank represents that the statements below regarding the risks of holding any Notes are exhaustive. Additional risks and uncertainties not presently known to the Issuers or that the Issuers currently believe to be immaterial could also have a material impact on their business operations. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.*

*Terms used in this section and not otherwise defined shall have the meanings given to them in “Terms and Conditions of the Notes”.*

**Factors which are material for the purposes of assessing Haitong Bank’s ability to fulfil its obligations under Haitong Bank Notes or, in respect of HIIP Notes, under the Keep Well Agreement:<sup>1</sup>**

### ***Risks relating to Haitong Group’s Business and the PRC Securities Industry***

#### *Risks relating to credit risk mitigation and asset quality maintenance*

Haitong Group (or the “**Group**”, which means Haitong Securities Co., Ltd. and its subsidiaries, including Haitong International Holdings Limited and the Issuers) may not effectively mitigate credit risk and maintain its asset quality, which may materially and adversely affect its business, financial condition and results of operations. In fact, the sustainability of Haitong Group’s business and future growth largely depends on its ability to effectively manage its credit risk and maintain its asset quality. As such, any deterioration in its asset quality or impairment in the collectability of receivables, could materially and adversely affect its results of operations. Haitong Group may not be able to effectively control the level of its non-performing assets in its current portfolio or effectively control the level of new non-performing assets in the future. The amount of Haitong Group’s non-performing assets may increase in the future due to substantial increase in its lease contract value, deterioration in the quality of its portfolio, or a decline in the quality of future receivables.

The quality of Haitong Group’s finance lease receivables portfolio may deteriorate for various reasons, including factors beyond its control, such as a slowdown in the economic growth of the People’s Republic of China or global economies, a recurrence of global credit crisis or other adverse macroeconomic trends which may cause operational, financial and liquidity problems for its customers thereby affecting their ability to make timely lease payments. If the level of its impaired finance lease receivables increases, Haitong Group’s business, financial condition and results of operations may be materially and adversely affected.

#### *Risks relating to capital industry and cash flow position of Haitong Group*

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Note:

<sup>1</sup> The Keep Well Agreement is not, and should not be regarded as equivalent to, a guarantee by Haitong Bank of any payment in respect of HIIP’s Notes. HIIP has, under the terms of the Trust Deed, assigned its rights under the Keep Well Agreement by way of security to the Trustee for the benefit of the Noteholders as security for payment of principal and interest on the Notes. Following an Event of Default, the Trustee will be entitled, on behalf of the Noteholders, to enforce such security and to enforce HIIP’s rights under the Keep Well Agreement against Haitong Bank in accordance with the terms of the Trust Deed. Enforcement in the English courts will be subject, among other things, to the powers of such courts to stay proceedings and other principles of law and equity of general application. Haitong Bank’s participation, signature and execution of any of the programme documentation and the existence of the Keep Well Agreement does not correspond to, nor can it be construed as, any form of undertaking of liability by Haitong Bank against the Noteholders, without prejudice to the assignment by way of security of the rights of HIIP under the Keep Well Agreement pursuant to the Trust Deed.

Certain of Haitong Group's business lines are capital intensive, such as its investment banking, proprietary trading, direct investment, margin financing and securities lending, and financial leasing businesses, which may result in the Group having significant holdings of selected asset classes or bank and other borrowings. Such capital commitments expose the Group to concentration risks, including market risk, in the case of its holdings of concentrated or illiquid positions in a particular asset class as part of its proprietary trading and direct investment activities, and credit risk, in the case of its margin financing and securities lending and financial leasing businesses. Any decline in the value of the asset holdings of the Group may reduce its income or result in losses.

The Group believes the management of its liquidity and capital resources is critical to its success. The planning and finance department of Haitong Securities actively monitors its capital structure, source of financing and liquidity, and is responsible for ensuring the liquidity and safety of its capital while improving yields on surplus cash.

The exposure of the Group to interest rate risk is primarily associated with its interest income, interest expenses and fixed income securities. The Group earns interest income from bank deposits (including its own deposits and customer deposits), margin financing and securities lending business, financial assets held under resale agreements and financial leasing business. Interest income from these sources is directly linked to the prevailing market interest rates. During periods of declining interest rates, the interest income of the Group would generally decrease.

The Group makes interest payments on deposits it holds on behalf of its customers, its short-term borrowings, other financing obligations and repurchases transactions. These interest expenses are directly linked to the prevailing market interest rates. During periods of rising interest rates, the interest expenses and financing costs of the Group would generally increase.

In addition, the Group holds fixed income securities. During periods of rising interest rates, market prices and its investment returns on fixed income securities will generally decrease.

Significant interest rate fluctuations could reduce the Group's interest income or returns on fixed income investments, or increase its interest expenses, any of which could adversely affect its financial condition and results of operations.

#### *Risks relating to the financing of Haitong Group's operations and expansion plans*

The businesses of Haitong Group are subject to risk that a customer or counterparty may fail to perform its contractual obligations or that the value of collateral held to secure the obligations might be inadequate. While the Group has internal policies and procedures designed to manage such risks, these policies and procedures may not be fully effective. The credit exposure of the Group mainly results from its margin financing and securities lending and financial leasing businesses and its role as counterparty in financial and derivative contracts and lease contracts. Any material non-payment or non-performance by a customer or counterparty could adversely affect the financial position, results of operations and cash flows of the Group.

In addition, the Group has exposure to credit risk associated with its available-for-sale investments and held-to-maturity financial assets. These investments may also be subject to price fluctuations as a result of changes in the financial market's assessment of the issuer's creditworthiness, delinquency and default rates and other factors, which could adversely affect the financial condition and results of operations of the Group.

The Group is committed to providing new products and services in order to strengthen its leading market position in the PRC securities industry. The Group has expanded its business to include certain developing new business. These new businesses expose it to additional risks. For example, although the Group has established a margin call risk control mechanism through which it monitors the value of its customers' collateral on a real-time basis, it may be subject to substantial risks if borrowers of margin loans default on payments or if the value of the collateral for the loans is insufficient to cover the margin loans due to significant market volatility. The Group may also suffer losses on stock index futures contracts it enters into if stock indices move unfavourably.

The Group will continue to expand its product and service offerings as permitted by the PRC regulatory authorities, transact with new customers not in its traditional customer base and enters into new markets. These activities expose the Group to new and increasingly challenging risks, including, but not limited to, the following:

- it may have insufficient experience or expertise in offering new products and services and dealing with new counterparties and customers;
- it may be subject to greater regulatory scrutiny, increased credit risks, market risks and operational risks;
- it may suffer from reputational concerns arising from dealing with less sophisticated counterparties and customers;
- it may be unable to provide customers with adequate levels of service for its new products and services;
- it may be unable to hire additional qualified personnel to support the offering of a broader range of products and services;
- its new products and services may not be accepted by its customers or meet its profitability expectations;
- it may be unable to obtain sufficient financing from internal and external sources to support its business expansion; and
- it may not be successful in enhancing its risk management capabilities and IT systems to identify and mitigate all the risks associated with these new products and services, new customers and new markets.

If the Group is unable to achieve the intended commercial results with respect to its offering of new products and services, its business, financial condition, results of operations and prospects could be materially and adversely affected.

*Significant interest rate fluctuations could affect the financial condition and results of operations of the Group*

The exposure of the Group to interest rate risk is primarily associated with its interest income, interest expenses and fixed income securities. The Group earns interest income from bank deposits (including its own deposits and customer deposits), margin financing and securities lending business, financial assets held under resale agreements and financial leasing business. Interest income from these sources is directly linked to the prevailing market interest rates. During periods of declining interest rates, the interest income of the Group would generally decrease.

The Group makes interest payments on deposits it holds on behalf of its customers, its short-term borrowings, other financing obligations and repurchases transactions. These interest expenses are directly linked to the prevailing market interest rates. During periods of rising interest rates, the interest expenses and financing costs of the Group would generally increase.

In addition, the Group holds fixed income securities. During periods of rising interest rates, market prices and its investment returns on fixed income securities will generally decrease.

Significant interest rate fluctuations could reduce the Group's interest income or returns on fixed income investments, or increase its interest expenses, any of which could adversely affect its financial condition and results of operations.

*Risks relating to failure to comply with applicable law*

As a participant in the securities and financial services industries, the Group is subject to extensive PRC and overseas regulatory requirements, which are designed to ensure the integrity of the financial markets, the soundness of securities firms and other financial institutions and the protection of investors. These regulations often serve to limit the activities of the Group by, among other things, imposing capital requirements, limiting the types of products and services it may offer, restricting the types of securities in which it may invest and limiting the number and location of branches it may establish. The PRC and overseas regulatory authorities conduct periodic or ad hoc inspections, examinations and inquiries in respect of Haitong Group's compliance with such requirements. For example, the CSRC assigns a regulatory rating to each securities firm according to the sufficiency of its internal control policies, risk management capabilities, compliance with regulatory requirements and overall market position.

Despite the efforts of the Group to comply with applicable regulations, there are a number of associated risks, particularly in areas where applicable regulations may be unclear or where regulators subsequently revise their previous guidance. On occasion, the Group has failed to meet certain requirements and guidelines set by the PRC regulatory authorities. For the years ended 31 December 2013, 2014 and 2015, the employees of the Group had been involved in several incidents of regulatory non-compliance. Material incidents of non-compliance may subject the Haitong Group to penalties or restrictions on its business activities, which could have a material adverse effect on its business, results of operations or financial condition.

There is no guarantee that the Group will be able to meet all the applicable regulatory requirements, or comply with all the applicable regulations and guidelines, at all times. Failure to do so could result in sanctions, fines, penalties or other disciplinary actions, including, among other things, a downgrade of its regulatory rating and limitations or prohibitions on the future business activities of the Group, which may limit its ability to conduct pilot programmes and launch new businesses and harm its reputation, and consequently materially and adversely affect its financial condition and results of operations.

Additionally, as to any new business that the Haitong Group contemplates, it may not be able to obtain the relevant approvals, licences, consents or authorisations for developing such new business, if it fails to fully comply with the relevant regulations and regulatory requirements. As a result, failure to develop its new business as planned or recover certain parts of its initial investments, or to comply with the applicable laws or regulations, may have an adverse effect on its reputation, business, financial condition and operation results.

#### *Risks relating to general economic and market conditions*

Substantially, all of the revenue of Haitong Group is derived from the securities markets. Like other businesses operating in the same industry, its business is directly affected by the inherent risks associated with the securities markets, such as market volatility, fluctuations in the trading volume and the credit capacity or perceived credit worthiness of the securities industry in the marketplace. The Group's business is also subject to general economic and political conditions, such as macroeconomic and monetary policies, legislation and regulations affecting the financial and securities industries, upward and downward trends in the business and financial sectors, inflation, currency fluctuations, availability of short-term and long-term market funding sources, cost of funding and the level and volatility of interest rates. In 2012, the PRC securities industry and the Group's financial condition and results of operations were adversely affected by the tightening of monetary policies and high inflation in the PRC, as well as the volatile PRC A share market. For example, SSE Composite Index kept rising from 3,234.68 as at the end of 2014 and peaked at 5,166.35 in early June 2015, representing a cumulative increase of 59.72%. However, the PRC A share market fell sharply from mid-June 2015 with SSE Composite Index closing at 2,927.29 on 26 August 2015, representing a decrease of 43.34%. Unfavourable economic and financial conditions globally, such as the financial instability in the U.S. and the European sovereign debt crisis, have also had material impact on the market conditions in China, which in turn, affected the Group's results of operations and financial condition.

Securities trading and corporate finance activities may be reduced and the value of certain financial assets may be affected by turmoil in the financial markets, downturn in general economic conditions or other risks associated with the business of Haitong Group and the securities industry in general, which may consequently have a material adverse effect on the Group's commissions and fees from brokerage, investment banking and asset management businesses, as well as the returns on its financial assets and investments. A reduction in Haitong Group's income or a loss resulting from its underwriting, investments or trading activities could have a material adverse effect on its business, results of operations and financial condition. As a result of these risks, Haitong Group's income and operating results may be subject to significant fluctuations.

#### *Risks relating to liquidity decrease*

Maintaining adequate liquidity is crucial to the business operations of Haitong Group as it continues to expand its margin financing and securities lending, investment banking, proprietary trading, and other business activities with substantial cash requirements. The Group meets its liquidity needs primarily through cash generated by operating activities and, to a lesser extent, cash provided by external financing. A reduction in the liquidity of the Group could reduce the confidence of its customers or counterparties in it, which may result in loss of business and customer accounts. In addition, according to the China Securities Regulatory Commission's ("CSRC") requirements, the ratio between Haitong Group's net capital and net assets cannot fall below 40%, the ratio between Haitong Group's net capital and total liabilities cannot fall below 8% and the ratio between Haitong Group's net assets and total liabilities cannot fall below 20%. The regulatory capital requirements are

currently under review by CSRC and are subject to the regulator's further revision. If the Group fails to meet regulatory capital requirements in the PRC, regulatory authorities may impose penalties on it or limit the scope of its business, which could, in turn, have a material and adverse effect on its financial condition and results of operations. On capital requirements of the Issuers, please refer to "Impact of Basel Committee reforms on subordinated debt (CRD IV and BRRD)" section below.

Factors that may adversely affect the liquidity position of the Group include a significant increase in its margin financing activities, increased regulatory capital requirements, substantial investments, other regulatory changes or a loss of market or customer confidence. When cash generated from the operating activities of the Group is not sufficient to meet its liquidity or regulatory capital needs, it must seek external financing, which may be limited during periods of disruption in the credit and capital markets, and thus the borrowing costs of the Group could increase. Although the management of the Group believes that it maintains sufficient credit lines and banking facilities, external financing may not be available on acceptable terms or at all due to unfavourable market conditions and disruptions in the credit and capital markets.

#### *Risks relating to overseas expansion not being successful*

In addition to organic growth, the current strategy of Haitong Group also involves growth through acquisitions of complementary businesses and entry into strategic alliances. This strategy entails potential risks that could have a material adverse effect on the business of the Group, financial condition, results of operations and prospects, including:

- unidentified or unanticipated liabilities or risks in the assets or businesses which it may acquire;
- inability to integrate successfully the products, services and personnel of the businesses which it may acquire into its operations or to realise any expected cost savings or other synergies from the acquisitions;
- the need to incur additional indebtedness, which may reduce its cash available for operations and other uses due to increased debt repayment obligations;
- inability to retain employees and customer relationships;
- customer overlap or loss of customers; and
- diversion of management attention and other resources.

Haitong Group may not be able to identify attractive acquisition opportunities, or make acquisitions on attractive terms or obtain the necessary financing to complete and support such acquisitions. In addition, the anticipated future expansion of the operations of the Group through acquisitions will place a significant strain on its management, internal controls and IT systems and resources, and could also result in additional expenditure. In addition to training, managing and integrating its workforce, the Group will need to continue to develop and improve its management and financial controls. There is no guarantee that any of such acquisitions will result in long-term benefits to it or that the Group will be able to manage effectively the integration and growth of its operations. Failure to do so may materially and adversely affect its business, financial condition, results of operations and prospects.

In addition, the overseas acquisitions of Haitong Group (including acquisitions in Hong Kong) may expose it to additional risks, including, among others:

- difficulties with managing overseas (including Hong Kong) operations, including complying with the various regulatory and legal requirements of different jurisdictions;
- different approval or licence requirements;
- challenges in providing products, services and support in these overseas (including Hong Kong) markets;
- challenges in managing its sales channels and overseas (including Hong Kong) distribution network effectively;

- differences in accounting treatment in different jurisdictions;
- potential adverse tax consequences;
- foreign exchange losses;
- limited protection for intellectual property rights;
- inability to enforce contractual or legal rights effectively;
- changes in local government laws, regulations and policies; and
- local political and economic instability or civil unrest.

In addition, the Group may not be able to realise any anticipated benefits or achieve the synergies it expects from acquisitions, the clients of the Group may react unfavourably to its acquisitions and joint venture strategy, and it may be exposed to loss of key personnel or management or additional liabilities of any acquired business or joint venture. If the Group is unable to avoid or mitigate these risks effectively, its ability to expand its business overseas (including Hong Kong) will be impaired, which could have a material and adverse effect on its business, financial condition, results of operations and prospects.

For the years ended 31 December 2013, 2014 and 2015, segment revenue and other income from the overseas business of the Group amounted to RMB1,397.2 million, RMB2,443.3 million and RMB5,916.6 million, respectively, representing 10.9%, 10.3% and 10.7% of its total revenue and other income, respectively.

As the Group generates most of the revenue and other income in its overseas business from its operations in Hong Kong, its overseas business depends on, to a large extent, the results of operations of Haitong International Securities and the other subsidiaries of the Group incorporated in Hong Kong. However, there is no guarantee that Haitong International Securities and the Group's other Hong Kong operations may continue to experience the same level of growth or profitability.

A variety of external factors that could significantly affect the Group's operations in Hong Kong include, but are not limited to, changes in the general economic and market conditions in Hong Kong and compliance with various regulatory and legal requirements in Hong Kong. For example, the Hong Kong economy has experienced significant downturns in the past, including in connection with the outbreak of SARS in 2003, the global financial crisis in 2008 and the market volatility in the second half of 2011. These economic downturns resulted in substantial losses in the securities markets, significant deterioration in customers' asset quality and increases in the cost of funding in the overseas markets.

In September 2015, the acquisition of Haitong Bank by the Group was completed. While this acquisition enriches the Group's cross-border network in Europe, North America, South America and South Asia, it also exposes the Group to risks associated with such areas. Any significant disruption in the operations of Haitong International Securities, Haitong Bank or the other overseas operations of the Group could have a material adverse effect on its business, financial condition, results of operations and prospects.

#### *Risks relating to the PRC*

All of the business assets of Haitong Group are substantially located in the PRC and all of the revenue of the Group is substantially derived from the PRC. Accordingly, the Group's business, financial condition, results of operations and prospects are subject to, to a significant degree, to the economic, political and legal developments of the PRC.

Most of the Group's revenue is denominated in Renminbi, which is also the reporting currency of the Group. Renminbi is not a freely convertible currency. A portion of the Group's cash may be required to be converted into other currencies in order to meet the Group's foreign currency needs. However, the PRC government may restrict future access to foreign currencies for current account transactions at its discretion. If this were to occur, the Group might not be able to meet its foreign currencies needs. On the other hand, capital account transactions must be approved by or registered with the SAFE or its local branch. If the foreign exchange control system prevents the Group from obtaining sufficient foreign currency to satisfy its currency demands, the Group's

capital expenditure plans, business operations and consequently its results of operations and financial condition could be materially and adversely affected.

The PRC economy differs from the economies of developed countries in many respects, including, among other things, government involvement, level of economic development, growth rate, foreign exchange controls and resources allocation. While the PRC economy has been transitioning from a planned economy to a more market-oriented economy for more than three decades, a substantial portion of productive assets in the PRC is still owned by the PRC government. The PRC government also exercises significant control over the economic growth of the PRC through allocating resources, controlling payments of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. In recent years, the PRC government has implemented measures emphasising the utilisation of market forces in economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance practices in business enterprises. These economic reform measures may be adjusted or modified, or applied inconsistently from industry to industry or across different regions of the country. As a result, the Group may not benefit from some of these measures.

In recent years, the PRC has been one of the world's fastest-growing economies as measured by GDP growth. However, the PRC may not be able to sustain historical growth rates. For example, the sub-prime mortgage crisis that broke out in the U.S. in 2008 affected global financial markets and caused significant turmoil in the global financial and credit markets. From the second half of 2008 to mid-2009, the world's largest economies, including the U.S., Europe and Japan, fell into severe economic recession, and economic growth in the PRC, India and other emerging economies also experienced a slowdown. The GDP growth in the PRC declined from 14.2% in 2007 to 9.2% in 2009, and further to 7.7% in 2013 and 6.9% in 2015. Future uncertainties in the PRC and in the global economy may materially and adversely affect the Group's business, financial condition and results of operations.

In addition, demand for the Group's products and the Group's business, financial condition and results of operations may be adversely affected by, including among other things, political instability or changes in social conditions in the PRC, changes in laws and regulations or the interpretation of laws and regulations, measures which may be introduced to control inflation or deflation, changes in the rate or method of taxation and the imposition of additional restrictions on currency conversion and remittances abroad.

### ***Risks relating to the Issuers of the Notes issued under the Programme***

#### ***Global Credit Market Conditions***

Overall, 2014 and 2015 ended on a positive note, with economic activity gradually recovering, most noticeably in the main developed economies but also in Europe's peripheral countries, which also resumed positive growth. However, a climate of uncertainty and volatility in the markets persisted during this period, fuelled by fears of economic deceleration in the emerging economies, particularly in China, political and social tensions in various regions of the globe and many doubts surrounding the unfolding economic and financial crisis in the Eurozone.

The year of 2015 was marked by a slight deceleration of global economic activity, with GDP growth sliding from 3.4% to 3.1%. This was mainly due to the slackening pace of the emerging economies, notably China, but also several others in Asia and Latin America. In China, GDP growth slowed from 7.3% to 6.9%. This performance may be linked to an intended shift in the growth pattern of the last few years, on one hand, because the Chinese authorities are now discouraging credit and investment and promoting the reduction of indebtedness, and on the other hand, due to an increase in the contribution of private consumption to growth and a reduction of surplus capacity in some industry sectors, including real estate. Simultaneously, the Renminbi has been depreciating, losing around 4.4% against the USD to around USD/CNY 6.49 in 2015, the year when the Chinese currency was integrated in the IMF's Special Drawing Rights basket. The Central Bank of China (PBoC) made five corrections in the 1-Year Lending Rate (the "**Benchmark Rate**"), cutting it from 5.6% to 4.35%, and lowered the reserve requirement ratio from 20% to 17.5%.

The contraction in Chinese demand targeting several emerging markets, allied to the impact of falling commodity prices, and in some cases, the difficulties caused by macroeconomic imbalances (high inflation, large deficits, capital outflows) were some of the factors behind the emerging markets' poor performance.

In Brazil, the escalation of inflationary pressures (average inflation hiked to 10.7% vs. a target of 6.5%), combined with the depreciation trajectory of the Real (down 33.2% against the USD), led the Central Bank of

Brazil to raise the SELIC rate from 11.75% to 14.25%. Caught in an adverse scenario at home and abroad, the Brazilian economy contracted by 3.8% in 2015. The deterioration of the public accounts and rising political instability in the country led to the downgrade of Brazil's sovereign rating, namely with Standard & Poor's cutting it from BBB- to BB+ in September.

India was an exception within this gloomier context in the emerging markets: it grew by 7.4% in 2015, maintaining the pace of expansion observed in the previous year. In terms of prices, inflationary pressures subsided, with the average annual inflation rate declining to 5.4%. This allowed the Central Bank of India to gradually trim the Benchmark Rate, from 8% down to 6.75%. On the foreign exchange market, and in line with the trend for most of the other emerging markets' currencies, the Rupee fell against the USD by 4.5%, to USD/INR 66.23.

Mexico's economy grew by 2.5% in 2015, after rising by 2.3% in 2014, mainly supported by the buoyancy of the services sector. Price moderation over the year largely followed the drop in the price of oil and other commodities, with the average inflation rate for the year standing at 2.7%. After the North-American Federal Reserve raised the range for the Fed funds rate in December, the Central Bank of Mexico lifted the Benchmark Rate from 3% to 3.25% in an effort to restrain the depreciation trend of the Peso against the USD, which reached 14.4% in the year.

In the developed economies, and in particular in the United States and the Eurozone, the cyclical recovery mainly relied on domestic demand, while also benefiting from falling oil prices, progress in economic agents' balance sheet adjustments, improving financing conditions (linked to ever stronger monetary stimuli) and greater support from the monetary policy. Supported by an expansionary monetary policy, a less restrictive fiscal policy and a sharp fall in the price of oil, the United States' GDP growth remained flat at around 2.4%. In the Eurozone, GDP growth quickened from 0.9% to around 1.6%, fuelled by the good performance of domestic demand, which made up for weaker external demand.

This was however insufficient to allay fears about deflationary pressures. In the United States, inflation fell back from 1.6% to 0.1%. In Europe, inflation contracted from 0.4% to 0%, forcing the European Central Bank ("ECB") to announce new monetary stimuli. In order to promote the return of inflation to levels consistent with medium-term price stability, the ECB announced in December a further cut in the rate on banks' deposit facility with the ECB (from -0.20% to -0.30%) and the extension of the asset purchase programme (APP) up to March 2017, raising its global amount to EUR 1.46 trillion. In addition, it decided to include in the public sector purchase programme the debt instruments issued by regional and local governments and to reinvest the principal payments on the securities purchased under the APP as they mature.

Besides the low pressure of wages on prices, the behaviour of inflation in 2015 is also explained by the fall of nearly 36% in the price of oil (Brent) with the market for this commodity continuing to show surplus supply. In this context, market interest rates remained very subdued. The yields on the 10-year Treasuries and Bunds rose from 2.17% to 2.27% and from 0.54% to 0.63%, respectively. In the Eurozone, where the ECB maintained an easing bias, the 3-month Euribor receded from 0.08% to -0.13%. On the other hand, in the USA, where the Federal Reserve lifted the Benchmark Rates for the first time in nearly nine years (by 25 basis points in December to a range of 0.25% to 0.5%), the 3-month USD-Libor rate inched up from 0.26% to 0.61%. This divergent stance between the Fed and the ECB caused the USD to appreciate (+11.4% vs. Euro, to around EUR/USD 1.09). This context, together with political or geopolitical factors (e.g. Greek crisis, extremisms in Europe, instability in the Middle East), fuelled spikes of volatility in the financial markets.

In the United Kingdom, GDP grew by 2.3% in 2015. Growth was mainly driven by domestic demand and in particular by private consumption, as real disposable income was swelled by an improvement in the labour market and very low inflation (0% in the whole year). The Bank of England kept the base rate unchanged at 0.50%, where it has stood since March 2009. The Pound's rising trend (+5.3% in the year) was one of the factors contributing to the absence of inflationary strains.

Likewise in Poland, domestic demand drove the growth of the economy, with GDP rising by 3.6% in 2015. In a context of falling prices that pushed down average annual inflation to -0.9%, mainly visible at the start of the year, the Central Bank of Poland cut the main Benchmark Rate in March from 2% to 1.5%. On the foreign exchange front, the Zloty slightly appreciated against the Euro (0.4%). This resulted from two disparate movements: up to April the currency sharply appreciated (reaching a peak of EUR/PLN 4.00) while as from May it started to depreciate, in line with the increase in political risk and rising expectations that the North-American Federal Reserve was about to start increasing interest rates.

The year of 2015 was also marked by the quickening pace of economic activity in Spain. GDP grew from 1.4% in 2014 to 3.2% in 2015, propelled by domestic demand and in particular by investment and private consumption. This performance was supported by low inflation levels, subsiding unemployment rates (from 24.5% to 22.1% of the labour force), an increase in the real disposable income of families, the improvement of confidence levels and better conditions of access to credit by both individuals and businesses. The easing of fiscal policy and the expansionary monetary policy conducted by the ECB were further props to growth. Furthermore, the positive contribution from the rebound of the real estate market should also be noted with housing prices rising by 4.5%. The acceleration of exports, combined with moderation in imports, permitted an improvement in the current and capital account surplus, from 1% to 1.5% of GDP. The average rate of inflation retreated from -0.1% to -0.5%.

In Portugal, economic activity continued to pick up, accelerating from 0.9% to 1.5%, mainly on the back of stronger domestic demand, and in particular private consumption and investment. Growth was supported by the fall in oil prices, the low level of interest rates, the gradual improvement of financing conditions, the slightly expansionary nature of fiscal policy and the good performance of exports to the European markets. The labour market pursued the improving path seen in the previous year, with the rate of unemployment receding from 13.9% to 12.5% of the labour force. The average annual inflation rate was 0.5%, up from -0.3% in 2014.

The financial stabilisation trend, the rebound of economic activity and the positive impact of the measures taken by the ECB allowed an improvement in the external perception about the Portuguese economy, in turn translating into an improvement in the conditions of access to long-term funding in the capital markets. Despite tending to flatten out, the yield on the 10-year Treasury bonds pursued the downward trend already seen in the previous year – dropping from 2.69% to 2.52% in the year – narrowing the difference to the German debt of the same maturity from 215 to 189 basis points. However, the end of 2015 and beginning of 2016 saw a slight widening of the sovereign spread, initially reflecting a context of political uncertainty and subsequently the impact of the resolution measures applied in December in the financial sector and the persistence of some uncertainty about the fiscal policy. The general government deficit reached 4.2% of GDP in 2015, including the (non-recurrent) effects of the recapitalisation of Banif Bank. Excluding this effect, the public deficit would have been 3% of GDP. Notwithstanding the recovery of domestic demand, the combined current and capital account also benefited from an improvement in terms of trade, with the respective surplus reckoned to have risen from 1.9% to 2.1% of GDP.

Despite the instability in the financial markets at the start of the year, a slim recovery is expected in 2016 at global level, with the advanced economies maintaining relatively stable growth and the emerging markets slightly accelerating. In the advanced world, economic activity should continue to be mainly supported by domestic demand, which will benefit from falling energy prices, some recovery of employment and wages, greater support from the fiscal policy and strong monetary stimuli allowing for an improvement in the financing of economic activity. Still, global growth is set to remain lacklustre, being constrained by structural factors such as the high levels of debt and adverse demographics. Some disinflation fears are also likely to persist in a context of falling commodity prices.

A key issue in the outlook for 2016 is the pace at which the Federal Reserve will lift benchmark interest rates. A sharper than expected hike and resulting impacts, represent a relevant risk, as does an increase in instability in the emerging markets, a sharper deceleration of China or signs of a political breakdown in the European Union. The expectation of higher nominal growth should translate into a small increase in long-term market interest rates in the whole year, in the US and Europe.

Despite the overall positive outlook given by rating agencies, future developments in this regard will be highly dependent on the ability of the government to keep on track with the targets committed to with foreign creditors. A downgrade of Portugal's rating may occur again in the future in the event of a more drastic deterioration in public finances, as a consequence of a poorer performance in economic activity, or as a result of the measures proposed to foster the deleveraging process being perceived as insufficient. Accordingly, the cost of financing for Portugal may increase, with negative consequences for the cost of financing for Portuguese companies and hence on their results.

Concerns about credit risk (including that of sovereigns) and the Eurozone crisis may be intensified. The large sovereign debts and/or fiscal deficits of a number of European countries and the US have raised concerns regarding the financial condition of financial institutions, insurers and other corporates (i) located in these countries; (ii) that have direct or indirect exposure to these countries; and/or (iii) whose banks, counterparties, custodians, customers, service providers, sources of funding and/or suppliers have direct or indirect exposure to

these countries. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system generally and could adversely affect the markets in which Haitong Bank operates and the businesses and economic condition and prospects of Haitong Bank's counterparties, customers, suppliers or creditors, directly or indirectly, in ways which it is difficult to predict.

A number of mature economies are implementing austerity measures in order to reduce their financial deficits and public debt. While there is some consensus that this may help to resolve the sovereign and banking crisis in the medium term, in the short term it is limiting growth, increasing unemployment and restricting tax revenues. Consumer and corporate banking activity, in particular loan demand and ancillary service, remains subdued in the current economic environment. Structural market condition, primarily low interest rates and increased medium term funding costs have negatively impacted operating income of financial service providers including that of the Issuers. Financial services providers face increasingly stringent and costly regulatory and supervisory requirements, particularly in the areas of capital and liquidity management, the conduct of business, the structure of operations and the integrity of financial services delivery. Increased government intervention and control over financial institutions, together with measures to reduce systemic risk, may significantly impact the competitive landscape.

The impact of the ongoing economic uncertainty and volatility in the global markets could be detrimental to Haitong Bank Group and its business and activity and could adversely affect the value and liquidity of the Notes and the ability of the Issuers to meet their obligations under the Notes and under its debt obligations more generally.

Prospective investors should ensure that they have sufficient knowledge and awareness of the Eurozone crisis, global financial crisis and the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes. In particular, prospective investors should take into account the considerable uncertainty as to how the wider economic situation will develop over time.

#### *Credit Portfolio*

Due to the composition of Haitong Bank's main business segments, credit and market risks are managed on a consolidated basis for Haitong Bank and all subsidiaries held by Haitong Bank, including HIIP. The consolidated gross client loan portfolio (excluding interest and overdue loans) at the end of 2015 was just over € 1.15 billion, representing a decrease of 31.88% on 2014. This decrease is mainly driven by 55.73% decrease in acquisition finance, a 18.94% decrease in project finance loans and a 47.15% decrease in other loans. The breakdown of the loan portfolio by industry reflects Haitong Bank's lending strategy developed over the last few years in the various regions where it operates, which mainly focuses on project finance in the transportation infrastructure and energy sectors.

As at 31 December 2015, Haitong Bank's total loan portfolio was comprised of € 0.62 billion in international activity and € 0.42 billion in domestic activity, compared to € 1.07 billion and € 0.48 billion respectively for 31 December 2014. In terms of geographic breakdown of the loan portfolio, the international activities share of the total portfolio decreased to 59.93% from 68.88% in 2014, as a result of a 41.52% contraction in the international portfolio.

The overdue loans ratio increased to 15.72% from 6.88% in December 2014. The credit at risk reached 36.65% of the loan portfolio, standing at 17.20% after allocation of provisions. Credit provisions were reinforced by € 60.23 million, which represents a 64.49% year-on-year decrease in the provision charge (€ 169.6 million in 2014). The impairment cost was 4.40% compared with 9.25% in the previous year. As a result, the credit provisions/gross customer loans ratio increased from 15.48% in December 2014 to 23.99% in December 2015. In addition, we also note the use of provisions amounting to € 14.79 million as a result of write-offs.

#### *Derivatives Portfolio*

Credit risk related to Haitong Bank's portfolio of interest rate, exchange rate and equity derivatives (calculated in accordance with the rules set out in Bank of Portugal Notice no. 5/2007, as amended from time to time, based on the sum of replacement costs and potential future credit risk) decreased by 43% year-on-year, to € 461 million at the end of 2015. Of the total exposure to derivative instruments, approximately 37% (61% in 2014) related to counterparties with an investment grade rating. In terms of breakdown by counterparty risk sector, 50% (66% in 2014) of the global exposure related to transactions with financial sector counterparties. At the end

of 2015, Haitong Bank had residual exposure to credit derivatives of € 1,000, compared to € 1,000 in 2014. The risk is calculated based on the notional value of the underlying contracts and the risk of the underlying reference issuer, when Haitong Bank is selling protection.

#### *Fixed Income Portfolio*

At the end of 2015, the fixed income portfolio amounted to € 1,441.21 million, having increased 12.07% from € 1,286.03 million in 2014.

Reflecting the characteristics of Haitong Bank Brazilian portfolio, essentially made up of Brazilian Treasury Notes and Brazilian Central Bank Notes (issued and funded in local currency) and those of the Treasury portfolio of Haitong Bank in Lisbon (essentially Portuguese Government bonds, Government guaranteed bonds and other European sovereign bonds), in 2015 the risk profile of Haitong Bank's fixed income portfolio maintained its concentration in investment grade issuers. At the end of 2015, approximately 75.10% of the portfolio (compared to 82.90% in 2014) had "BBB-" or higher ratings (investment grade ratings).

In terms of the breakdown by sector, about 85.43% of Haitong Bank's consolidated fixed income portfolio (compared to 77.96% in 2014) was comprised of securities issued by government / sovereign issuers from Brazil, Portugal and Spain.

#### *Portuguese Economic Situation*

As a result of deteriorating economic conditions in Portugal since the crisis that began in mid-2007, the Portuguese government requested external assistance from the IMF, the EC and the ECB, (together, the "**Troika**") in April 2011. The Economic Adjustment Programme (the "**Adjustment Programme**" or "**Programme**"), agreed with the Troika, provided for the availability of financial support to Portugal in the amount of € 78 billion over a three year period ending 17 May 2014, subject to the implementation of a series of budgetary and structural measures, which were subject to quarterly reviews for the duration of the Programme.

As part of the Programme, the Portuguese government committed to meet certain budgetary and public debt targets and to implement a series of structural reforms. In addition, the Adjustment Programme was intended to lead to a reduction in the Portuguese public debt to GDP ratio after 2013 and contains structural measures and policy guidelines designed to boost the country's competitiveness and improve Portugal's growth rates in the medium term.

The performance of the Portuguese economy between 2011 and 2014 was highly dependent on the implementation of the Adjustment Programme. The need to reduce the public deficit was addressed by the adoption of very restrictive budgetary policies, with negative impacts on economic activity in the near term. At the same time, the private sector continued its deleveraging process.

The deleveraging and financial rebalancing of all business sectors in the period described above resulted in a surplus of external accounts (i.e. combined current and capital account) of 2.5% of GDP in 2013, according to Statistics Portugal (INE). In 2014, this fell to 1.9% of GDP, which still compares favourably with the 4.1% deficit in 2011 (and the 9.1% deficit in 2010). This improvement resulted from adjustments in all institutional sectors, involving an increase in domestic savings and a decrease in investment. The recovery of activity and the fiscal consolidation measures taken in the context of the Adjustment Programme contributed to a reduction in the General Government deficit, from 11.2% of GDP in 2010 to 4.8% of GDP in 2013. The headline deficit reached 7.2% of GDP in 2014 and included the costs of recapitalisation of Novo Banco, S.A. (former direct sole shareholder of Haitong Bank and former indirect shareholder of HIIP). However, excluding one-offs, the 2014 Budget deficit should have reached 3.3% of GDP, according to the Portuguese Ministry of Finance and Statistics Portugal (INE). The 2015 Budget saw the deficit going down to 4.4% of GDP influenced by the resolution of Banif. Excluding one-offs, the 2015 Budget deficit should have reached 3.0% of GDP allowing Portugal to leave the excessive deficit procedure (EDP), the corrective arm of the Stability and Growth Pact (SGP) of the European Commission.

Domestic demand (particularly investment and private consumption) supported the year over year ("**YoY**") growth rate. Spending decisions have been supported by a rise in real disposable income and by higher confidence levels. Net external demand, in turn, had a negative contribution to growth, driven by the more intense acceleration of imports than the acceleration of exports. These numbers reflect a cyclical recovery, supported by a number of factors, including stronger growth in Europe, lower oil prices (sustaining real income

and spending), the indirect effects of a weaker euro, a more neutral fiscal policy, a gradual improvement in financing conditions (with the contribution of the ECB's quantitative easing programme) and an improvement in confidence levels, after three to four years of strict austerity and high uncertainty. Economic activity continued to pick up, accelerating from 0.9% in 2014 to 1.5% in 2015 mainly on the back of stronger domestic demand, and in particular private consumption and investment. The labour market pursued the improving path seen in the previous year, with the rate of unemployment receding from 13.9% to 12.5% of the labour force. The average annual inflation rate was 0.5%, up from -0.3% in 2014.

Contagion from the 2015 Greek financial crisis was very moderate, with 10Y sovereign debt yields around 2.8% (information available as of 11 November 2015), which compares with a 2015 high of close to 3.4% in mid-June. The sovereign has accumulated a significant cash buffer that should mitigate the effects of potential market volatility. This buffer stood at EUR 12.4 billion at the end of 2014 (7.2% of GDP) and only EUR 3.8 billion of this was expected to be used to cover 2015 financing needs. A cash buffer of around EUR 8.6 billion is therefore expected to be available at the beginning of 2016, according to IGCP, the public debt management institute. Until end-September 2015, Portugal had made early repayments of around EUR 8.4 billion to the IMF (versus an initial annual target of EUR 500 million). Total repayments to the IMF in 2015 are expected to reach EUR 10.6 billion. Against this background, Portugal continues to benefit from the ECB's quantitative easing programme, under which the ECB could buy up to close to EUR 25 billion of Portuguese assets (until September 2016), contributing to an improvement in the sovereign's financing conditions.

The current projections of the Bank of Portugal for the Portuguese economy point to recovery in activity in the period 2015-17 with expected annual average growth rates of 1.7% in 2015, 1.9% in 2016 and 2% in 2017. These projections are slightly higher than the projections of the European Central Bank (ECB) for the Euro area of 1.4% in 2015, the 1.7% in 2016 and 1.8% in 2017. A less restrictive fiscal policy, an improvement in financing conditions, a gradual stabilisation in the labour market, a small recovery in exports, the fall in oil prices and the indirect effects of the euro depreciation are expected to support activity growth in 2016. The above mentioned estimates foresee the maintenance in the growth of private consumption and a gradual acceleration of both exports and gross fixed capital formation in the period 2016-17. The projections of the Bank of Portugal for expected developments in the Portuguese economy are also characterised by a gradual acceleration in external demand and export growth, and are expected to benefit from non-conventional monetary policies implemented by the ECB in the Euro area. Domestic demand developments over the next few years are expected, however, to remain conditioned by the fiscal consolidation process and the need to reduce private sector indebtedness. In turn, exports are expected to benefit from a moderate recovery in global economic activity, particularly in the Euro area. In this context, the Portuguese economy is expected to continue to strengthen its net lending capacity.

Upside risks to growth include the effects of the significant decline in oil prices and the potential impact of the ECB's quantitative easing programme. The impact from lower oil prices is expected to be mainly associated with a rise in real disposable income and purchasing power and also, indirectly, with a rise in external demand associated with stronger growth in Europe (also with the euro depreciation). However, these favourable effects could be mitigated by other risk factors. The political uncertainty associated with the outcome of some elections in Europe could constrain confidence levels, starting with the political situation in Portugal (with a newly elected government currently negotiating lighter budgetary measures), and following with uncertain expectations around the new Parliament elections in Spain on 26 June 2016. Another mitigating effect is related to the negative impact of falling oil prices in the economy of Angola, which accounts for 6.5% of Portuguese merchandise exports. The fall in Angolan oil revenues is already producing delays in payments to Portuguese firms, while constraints to imports have been imposed by the Angolan Government.

Significant underlying vulnerabilities, including high public and private debt and moderate growth prospects, render the Portuguese economy susceptible to a range of domestic and external shocks. With significant fiscal adjustment needs still ahead, political and legal setbacks constitute a key domestic risk. The General Election in October 2015 failed to generate a direct absolute majority in Parliament. Political uncertainty and doubts about the ability of the next Government to proceed with the fiscal consolidation process, in line with the Fiscal Treaty targets, could translate into a higher perception of risk on the part of investors, hurting financing conditions. On the external front, renewed global financial volatility or bond market stress could herald the end of exceptionally favourable financing conditions. Despite the good performance of the Portuguese sovereign yields following the exit from the Adjustment Programme, Portuguese sovereign yields may suffer from increased volatility, which might in turn have a negative impact on the business performance of Haitong Bank.

Concerns relating to Portuguese public finances and political and social stability in Portugal have affected and may continue to affect the liquidity and profitability of financial institutions in Portugal, resulting in, amongst other things, lower market values for Portuguese government debt; limited liquidity in the Portuguese banking system and reliance on external funding; increased competition for, and thus cost of, customer deposits; limited credit extension to customers; and a deterioration of credit quality.

The Issuers cannot foresee what impact such eventual fiscal policies or other additional measures may have on the Noteholders and prospective investors and, despite the recent signs of stabilisation of the labour market and the reduction of corporate insolvencies, it is expected that the high unemployment rates, the low profitability and the high level of indebtedness of companies and an increase in company and personal insolvencies will continue to have a negative influence on Haitong Bank's clients in the Portuguese market and, consequently, could cause an increase in overdue loans and in impairments related to loans and other financial assets. The occurrence of any one or more of these events could have a material adverse effect on the business, financial condition and results of operations of Haitong Bank.

*Haitong Bank's business is particularly sensitive to volatility in interest rates*

Haitong Bank is subject to the risks typical of banking activities, such as interest rate fluctuations. Interest rate risk may be defined as the impact on shareholders' equity or on net interest income due to an adverse change in market interest rates. As is the case with other banks in Portugal, Haitong Bank is particularly exposed to differentials between the interest rates payable by it and the interest rates that it is able to charge to customers and other banks. As a result, Portuguese banks, including Haitong Bank, frequently experience difficulties in adjusting the interest rates that they pay in line with market interest rate changes.

Interest rates are sensitive to several factors that are out of Haitong Bank's control, including fiscal and monetary policies of governments and central banks, as well as domestic and international political conditions. Changes in market interest rates can affect the interest rates that Haitong Bank receives on its interest-earning assets, in a different way when compared to the rates that Haitong Bank pays for its interest bearing liabilities. This difference may reduce the net interest margin, which could have an adverse effect on Haitong Bank's results of operations.

As a result of these factors, significant changes or volatility in interest rates could have a material adverse impact on the business, financial condition or results of operations of Haitong Bank.

*Haitong Bank engages in various proprietary trading activities and is exposed to risks relating to losses from proprietary trading caused by adverse changes in financial assets recorded at fair value*

Haitong Bank engages in various activities for its own account, including entering into interest rate, credit, shares and exchange rate derivative transactions, as well as taking positions in fixed income and equity in the domestic and international markets and trading in the primary and secondary securities markets, including for government securities.

Haitong Bank had a value at risk ("VaR") of € 4.45 million as at 31 December 2015 in its trading positions in respect of shares, interest rates, volatility and credit spread, total commodities position and total foreign exchange position (excluding the position of foreign exchange relating to shares of the portfolio of assets available for sale and the portfolio of assets at fair value), compared to € 9.84 million as at 31 December 2014. VaR is calculated using the Historical simulation, with a 99% confidence level and an investment period of 10 days.

Proprietary trading involves a certain degree of risk. Future proprietary trading results will in part depend on market conditions, and although Haitong Bank seeks to actively manage its capital markets exposure in light of prevailing market conditions, there can be no assurance that it will be successful in doing so. Protracted adverse market movements, particularly price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if Haitong Bank cannot close out deteriorating positions in a timely way. This may especially be the case for assets for which there are less liquid markets. Assets that are not traded on stock exchanges or other public trading markets, such as derivative contracts between banks, may have values that Haitong Bank calculates using models other than publicly quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to losses that Haitong Bank cannot anticipate. As such, Haitong Bank could incur significant losses, which could have an adverse effect on Haitong Bank's financial condition and results of operations.

Haitong Bank is exposed to risks relating to losses caused by adverse changes in financial assets recorded at fair value. Under IFRS, Haitong Bank recognises at fair value, financial assets classified as “held for trading” and financial assets classified as “fair value through profit or loss”, financial assets classified as “available-for-sale” and derivatives on such assets.

In order to establish the fair value of these assets, Haitong Bank relies on quoted market prices or, where the market for the financial asset is not sufficiently active, internal valuation models. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to changes in market conditions. In such circumstances, internal valuation models require Haitong Bank to make assumptions, judgments and estimates in order to establish fair value. These assumptions, judgments and estimates are inherently uncertain and may need to be updated to reflect changing trends and market conditions, potentially resulting in significant decreases in value.

Any reduction in the fair value of financial assets would require Haitong Bank to recognise a loss. These losses may have the effect of reducing Haitong Bank’s Common Equity Tier 1 ratio used in determining Haitong Bank’s solvency ratios and may negatively impact Haitong Bank’s results of operations. Any decrease in Haitong Bank’s solvency ratios may hinder its ability to operate its business in accordance with its strategy.

*Haitong Bank’s business is significantly affected by credit risk*

Haitong Bank is subject to credit risk, i.e. the risk that Haitong Bank’s clients and other counterparties are unable to fulfil their payment obligations. Risks arising from changes in credit quality and the repayment of loans and amounts due from borrowers and counterparties are inherent in Haitong Bank’s businesses. Adverse changes in the credit quality of Haitong Bank’s clients, a general deterioration in Portuguese or global economic conditions, or increased systemic risks in financial systems, affect the recovery rate and value of Haitong Bank’s assets and could require an increase in provisions.

Haitong Bank is exposed to many different counterparties in the normal course of its business, but its exposure to counterparties in the financial services industry is also significant. This exposure can arise through trading, lending, clearance and settlement and numerous other activities and relationships. These counterparties include institutional clients, brokers and dealers, commercial banks and investment banks. Many of these relationships expose Haitong Bank to credit risk in the event of default of a counterparty or client. In addition, Haitong Bank’s credit risk may be exacerbated when the collateral it holds cannot be realised at, or is liquidated at prices not sufficient to recover, the full amount of the loan or derivative exposure it is due to cover. Many of the hedging and other risk management strategies utilised by Haitong Bank also involve transactions with financial services counterparties. The insolvency of these counterparties may impair the effectiveness of Haitong Bank’s hedging and other risk management strategies, which could in turn have a material adverse effect on Haitong Bank’s financial condition and results of operations.

In addition, Haitong Bank Group has exposure to credit risk associated with its available-for-sale investments. These investments may also be subject to price fluctuations as a result of changes in the financial market’s assessment of the issuer’s creditworthiness, delinquency and default rates and other factors, which could adversely affect the financial condition and results of operations of Haitong Group.

Although Haitong Bank regularly reviews its exposure to its clients and other counterparties, as well as its exposure to certain economic sectors and countries which Haitong Bank believes to be particularly critical, payment defaults may arise from events and circumstances that are unforeseeable or difficult to predict or detect.

Haitong Bank actively manages credit risk and analyses credit transactions. Expectations about future credit losses may, however, be incorrect for a variety of reasons. A prolonged decline in general economic conditions, particularly of those in Portugal, unanticipated political events or a lack of liquidity in the economy may result in losses which exceed the amount of Haitong Bank’s provisions or the maximum probable losses envisaged by its risk management models.

*Haitong Bank is exposed to reputational risks*

Reputational risk is embedded in Haitong Bank’s activity. Negative public opinion regarding Haitong Bank or the financial services sector as a whole may arise from actual or perceived practices within the banking sector, such as defaults by issuers of securities sold to investors through entities related to Haitong Bank, or in the way,

real or perceived, that Haitong Bank conducts its activities. Negative publicity or negative public opinion may adversely affect the ability of Haitong Bank to retain and attract customers, the loss of which could have a material adverse effect on Haitong Bank's financial position and its results.

#### *Pending legal proceedings*

On 3 August 2014, the Bank of Portugal applied to Banco Espírito Santo, S.A. ("**BES**") a resolution measure consisting of the transfer of most of its business, including assets, liabilities, off-balance sheet items and assets under management, to a bridge bank, Novo Banco, S.A. ("**Novo Banco**"), specifically set up for this purpose. Thereafter, a number of legal proceedings were commenced against BES, Novo Banco and/or Haitong Bank in relation to facts concerning the Grupo Espírito Santo ("**GES**"). For further information on certain pending legal proceedings, please refer to sub-section "*Litigation*" of section "**General Information**" of this Offering Circular.

It is not possible to know or make a full assessment of the impact of any decisions to be taken by courts in the above proceedings and if they may adversely affect the capacity of Haitong Bank to carry out its obligations under the Programme or the Notes. Also, it is not possible to determine when the relevant courts will issue final awards regarding these or future legal proceedings, or to determine or make a full assessment of the impact or likely outcomes of any such legal proceedings or of future legal proceedings or the consequences arising therefrom for Haitong Bank or the Notes.

The Noteholders should be aware that the legal proceedings and consequences arising therefrom may adversely affect the capability of Haitong Bank to carry out its obligations under the Programme or the Notes.

Haitong Bank's decision not to make provisions for the above legal proceedings is based on its own and its advisors' judgment and estimation, and Haitong Bank may or may not decide in the future to make provisions for these or other pending legal proceedings in the future based on its assessment of the progress of the relevant lawsuits or otherwise, and which could significantly reduce its profit or cause it to incur losses that may materially and adversely affect its business, financial condition, results of operations and prospects and its capability to carry out its obligations under the Programme or the Notes.

#### *Haitong Bank's hedging operations may not avoid losses or be effective*

Haitong Bank undertakes hedging operations in order to reduce its exposure to the different risks associated with its activities, such as interest rate risk, credit risk and currency risk, among others. However, Haitong Bank does not hedge all of its risk exposure. In addition, Haitong Bank cannot assure its hedging strategies will be successful, and in case they are not effective, this could have a material adverse effect on the financial condition and results of operations of Haitong Bank.

#### *Haitong Bank's business is subject to operational risks*

Haitong Bank is subject to certain operational risks, including interruption of service, errors, fraud by third parties (including large-scale organised frauds, as a result of Haitong Bank's financial operations), breach or delays in the provision of services, confidentiality obligations with regards to customer information and compliance with risk management requirements. Haitong Bank continually monitors these risks by means of, among other things, advanced administrative and information systems and insurance coverage in respect of certain operational risks. However, Haitong Bank may be unable to successfully monitor or prevent these risks in the future. Any failure to successfully execute Haitong Bank's operational risk management and control policies could have a material adverse effect on Haitong Bank's financial condition and results of operations.

#### *The Issuers are subject to applicable regulatory capital requirements*

The Issuers are subject to and are required to comply at all times with regulatory requirements in respect of their own funds, covering solvency ratio and own funds prudential limits, particularly as resulting from the provisions of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV Directive**") and Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions and investment firms (the "**CRR**" and, together with the CRD IV Directive, "**CRD IV**") and also provided for in Portuguese domestic legislation implementing

CRD IV. Please see further detail on applicable regulatory capital requirements in “*Impact of Basel Committee reforms on subordinated debt (CRD IV and BRRD)*” section below.

Cash generated by the Issuers’ operating activities may not suffice to meet applicable liquidity or regulatory capital needs, and therefore the Issuers may need to seek external financing and support, such as pure-equity and additional Tier 1 or other instruments qualified as common equity and capital under the CRD IV. Periods of disruption in the credit and capital markets may adversely affect and limit such external financing and support, which may also result in an increase of the borrowing costs for the Issuers.

Increased regulatory capital requirements and the inability of the Issuers to at all times comply with applicable regulatory capital requirements may adversely affect the liquidity position of the Issuers and the rights of holders of the Notes, the price or value of an investment in the Notes and/or the Issuers’ ability to satisfy their obligations under the Notes.

### *Examinership*

HIIP may be subject to Examinership. Examinership is a court procedure available under the Irish Companies Act 2014, in order to facilitate the survival of Irish companies in financial difficulties.

HIIP, the directors of HIIP, a contingent, prospective or actual creditor of HIIP, or shareholders of HIIP holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of HIIP are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to repudiate contracts and arrangements entered into by the company after his appointment and, in certain circumstances, he can avoid a negative pledge given by the company prior to his appointment. Furthermore, he may (with the approval of the charge holder or of the court) sell assets that are the subject of a fixed charge. However, if such power is exercised, he must account to the holders of the fixed charge for the amount realised and discharge the amount due to them out of the proceeds of sale.

During the period of protection, the examiner will compile proposals for a compromise or scheme of arrangement which are with a view to allowing for the survival of the company, or the whole or any part of its undertaking, as a going concern. A scheme of arrangement will only be approved by the Irish court if the following conditions are satisfied, i.e. (i) at least one class of creditors whose interests or claims would be impaired by the proposals has voted in favour of the proposals; (ii) the sole or primary purpose of the proposals is not the avoidance of payment of tax due; (iii) the Irish court is satisfied that such proposals are (a) fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement and (b) not unfairly prejudicial to the interests of any interested party.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of HIIP, if the Trustee represented the majority in number and value of claims within the secured creditor class, the Trustee would be in a position to reject any proposal not in favour of the relevant Noteholders. The Trustee would also be entitled to argue at the Irish court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to such Noteholders, especially if such proposals included a writing down of the value of amounts due by HIIP to such Noteholders. The primary risks to applicable Noteholders if an examiner were to be appointed to HIIP are as follows:

- (i) the potential for a scheme of arrangement to be approved involving the writing down of the debt owed by HIIP to the applicable Noteholders as secured by the Trust Deed;
- (ii) the potential for the examiner to seek to set aside any negative pledge in the Notes prohibiting the creation of security or the incurring of borrowings by HIIP to enable the examiner to borrow to fund HIIP during the protection period; and
- (iii) in the event that a scheme of arrangement is not approved and HIIP subsequently goes into liquidation, the examiner’s remuneration and expenses (including certain borrowings, if incurred by the examiner on behalf of HIIP and approved by the Irish court) will take priority over the moneys and liabilities that from time to time are or may become due, owing or payable by HIIP to the applicable Noteholders.

**Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme.**

*The Notes may not be a suitable investment for all investors*

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant Reference Asset(s), Reference Entity(ies) and financial markets; and
- (v) 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.

Some Notes are 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 Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

*Risks related to the structure of a particular issue of Notes*

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features.

*Notes subject to optional redemption by the relevant Issuer*

Except where the Applicable Transaction Terms in respect of any particular Tranche of Notes specifies otherwise, in the event that the relevant Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the jurisdiction of incorporation of the relevant Issuer or any political subdivision thereof or any authority therein or thereof having power to tax, an Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions.

In addition, where any particular Tranche of Notes the Applicable Transaction Terms specify that the Notes are redeemable at the relevant Issuer's option in certain other circumstances the relevant Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

*Partly-paid Notes*

An Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### *Risks relating to particular Reference Assets*

#### 1. Risks relating to the performance of the Reference Asset(s)

An Issuer may issue Notes with principal or interest determined by reference to the price of or the change in price or performance of one or more “**Reference Assets**” (which may include equities, shares (including private equity), depository receipts, indices (including inflation indices), interest rates, currencies, fund units, commodities and credit risks and/or fluctuations in currency exchange rates). In addition, an Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated.

With structured Notes (for example, equity-linked Notes, currency-linked Notes, Credit-Linked Notes, fund-Linked Notes, commodity-linked Notes and other possible structures) the yield, and sometimes also the repayment of principal, depends on the performance of one or more Reference Assets, such as equities, indices, interest rates, currencies, credit exposures (one or more), fund units, commodities or baskets thereof, or combinations or the relationship between assets. If the repayment of part of or an invested amount is linked to the performance of Reference Assets, the investor may risk losing the entire invested amount. Structured Notes are often designed on the basis of a combination of different types of traditional instruments such as equities, fund units or a derivative instrument. These combinations of products may have elements of different instruments. The value of a structured Note will be affected by the value of the Reference Asset or the relevant comparison figure. The valuations of the Reference Asset may take place both during the term and on the Maturity Date and the performance may be positive or negative for the holder. The Noteholder’s right to yield, and where applicable repayment, thus depends on the performance of the Reference Asset and applicable Redemption Basis. The value of a structured Note may, in addition to changes in the price of the Reference Asset, be determined by the intensity of the price fluctuations of the Reference Asset (commonly referred to as volatility), expectations regarding future volatility, market interest rates and expected dividends or other distributions on the Reference Asset.

Potential investors should be aware that:

- (a) the market price of such Notes may be volatile;
- (b) they may receive no interest;
- (c) payment of principal or interest may occur at a different time or in a different currency than expected;
- (d) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (e) the Reference Asset may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (f) if the performance of the Notes contain a multiplier greater than one or contains some other leverage factor, the effect of changes in the Reference Asset on principal or interest payable is likely to be magnified; and
- (g) the timing of changes in the value of one or more Reference Asset may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the value of one or more Reference Asset, the greater the effect on yield.

Further, Noteholders of Notes and prospective purchasers of such Notes should ensure that they understand the nature of such Notes and the extent of their exposure to risk and that they consider the suitability of such Notes as an investment in light of their own circumstances and financial condition. A small movement in the value of one or more Reference Asset may result in a significant change in the value of such Notes. Noteholders of such Notes, and prospective purchasers of such Notes, should form their own views of the merits of an investment based upon such investigations. Given the highly specialised nature of structured Notes, each of the Issuers considers that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment on which the return is determined in this way. Consequently, an investor who does not fall within the description above should not consider purchasing such Notes without taking detailed advice from a specialised professional adviser.

2. Risks relating to limited information in relation to certain Reference Assets

In relation to certain Reference Assets, for example, certain hedge funds or indices composed of hedge funds, there is limited access to information since, among other things, the official closing price of some of these Reference Assets is published less frequently. The composition of certain indices and funds may be confidential for strategic reasons. Other factors limiting transparency in relation to such Reference Assets may be that the Reference Asset is not subject to continuous trading, that valuation models for determination of the value of the Reference Assets are not reported to the investors and those underlying factors which affect the value of the Reference Asset are not public.

3. Currency fluctuations

Foreign exchange rates may be affected by complex political and economic factors, including relative rates of inflation, interest rate levels, the balance of payments between countries, the extent of any governmental surplus or deficit and the monetary, fiscal and/or trade policies pursued by the governments of the relevant currencies. Currency fluctuations may affect the value or level of the Reference Assets in complex ways. If such currency fluctuations cause the value or level of the Reference Assets to vary, the value or level of the Notes may fall. If the value or level of one or more Reference Asset(s) is denominated in a currency that is different from the currency of the Notes, investors in the Notes may be subject to increased foreign exchange risk. Previous foreign exchange rates are not necessarily indicative of future foreign exchange rates.

4. Risks relating to market disruption and extraordinary events

Market disruption can occur, for example, if the trading in Reference Assets is suspended or an official price for some reason is not listed. In conjunction with market disruption, the value of Reference Assets is determined at a different time than intended and, in certain cases, also by another method than intended. Certain Reference Assets such as equities, equity baskets or fund units may be affected by extraordinary events such as delisting, nationalisation, bankruptcy, liquidation or the equivalent of a share split, new share issue, bonus issue, issuance of warrants or convertibles, reverse share split or buyback in respect of such equity or equity basket which constitutes a Reference Asset. For all structured Notes, events such as changes in the law or increased costs for risk management may arise. If so, the relevant Issuer may, at its sole discretion, make any adjustments in the composition of the assets and the calculation of the yield or value of Notes or replace one Reference Asset with another Reference Asset, to the extent that the relevant Issuer deems necessary in order for the calculation of the yield or value of Notes to, in the relevant Issuer's opinion, reflect the manner in which yield or value was previously calculated. It may be that the relevant Issuer believes that such adjustments cannot procure a fair result, in which case the relevant Issuer may make the calculation of yield prematurely and determine the Redemption Amount or the yield. Interest on the principal amount shall thereafter accrue at the market rate of interest.

5. Reading of closing values of Reference Assets

In certain yield structures, the closing price is recorded on a number of occasions in order to calculate an average final price. The aim is to minimise the risk of single extreme values greatly affecting the final price. Investors should, however, appreciate the fact that the value on such recording occasions will affect the average final price, entailing that the final price may be lower or higher than the actual closing

price on the valuation day. In some Notes however, the value is determined on the basis of a single valuation, hence, there is a risk that some extreme values could affect the final price.

#### 6. Risks associated with Equities as Reference Assets

An investment in equity-Linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

(a) *Factors affecting the performance of equities may adversely affect the value of the Notes*

The performance of equities is dependent upon macroeconomic factors, such as interest rates and price levels on the capital markets, currency developments, political factors and company specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) *No claim against the Issuer of the Reference Assets or recourse to the Reference Assets*

Equity-Linked Notes do not represent a claim against or an investment in any issuer of equity securities (an “**Equity Issuer**”) to which they are linked and Noteholders will not have any right of recourse under the Notes to any such company or the equities. The Notes are not in any way sponsored, endorsed or promoted by any Equity Issuer and such companies have no obligation to take into account the consequences of their actions for any Noteholders. Accordingly, the issuer of an equity may take any actions in respect of such equity without regard to the interests of the investors in the Notes, and any of these actions could adversely affect the market value of the Notes.

In the case of Notes relating to equities, no issuer of such equities will have participated in establishing the terms of the Notes and neither the Relevant Issuer nor any Relevant Dealer will make any investigation or enquiry in connection with such offering with respect to the information concerning any such issuer of equities contained in the Applicable Transaction Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant Issue Date (including events that would affect the accuracy or completeness of the publicly available documents described in this paragraph or in any relevant Applicable Transaction Terms) that would affect the trading price of the equities will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of equities could affect the trading price of the equities and therefore the trading price of the Notes.

#### 7. Risks associated with Indices as Reference Assets

An investment in index-Linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

(a) *Factors affecting the performance of Indices may adversely affect the value of the Notes*

Indices comprise a synthetic portfolio of shares or other assets and, as such, the performance of an Index is dependent upon the macroeconomic factors relating to the shares or other components that comprise such Index, which may include interest rates and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) *Exposure to the risk that returns on the Notes do not reflect direct investment in underlying equities or other items comprising the Index*

The return payable on Notes that reference Indices may not reflect the return an investor would realise if he or she actually owned the relevant items comprising the components of the Index. For example, if the components of the Indices are shares, Noteholders will not receive any dividends paid on those shares and will not participate in the return on those dividends unless the relevant Index takes such dividends into account for purposes of calculating the relevant level. Similarly,

Noteholders will not have any voting rights in the underlying equities or any other assets which may comprise the components of the relevant Index. Accordingly, investors in Notes that reference Indices as Reference Assets may receive a lower payment upon settlement or redemption of such Notes than such investor would have received if he or she had invested in the components of the Index directly.

(c) *Loss of return of dividends in respect of most Notes linked to equity Indices*

The rules governing the composition and calculation of the relevant underlying Index might stipulate that dividends distributed on its components do not lead to a rise in the index level, for example, if it is a "price" index, which may lead to a decrease in the index level if all other circumstances remain the same. As a result, in such cases, the Noteholders of Notes in respect of which a Reference Asset is such an Index will not participate in dividends or other distributions paid on the components comprising the Index. Even if the rules of the relevant underlying Index provide that distributed dividends or other distributions of the components are reinvested in the Index and therefore result in raising its level, in some circumstances, the dividends or other distributions may not be fully reinvested in such Index.

(d) *A change in the composition or discontinuance of an Index could adversely affect the market value of the Notes*

The sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The modification of components of any Index may affect the level of such Index, as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the payments made by the relevant Issuer to the investors in the Notes. The sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The sponsor of an Index will have no involvement in the offer and sale of the Notes and will have no obligation to any investor in such Notes. The sponsor of an Index may take any actions in respect of such Index without regard to the interests of the investor in the Notes, and any of these actions could adversely affect the market value of the Notes.

(e) *There are additional risks in relation to Commodity Indices, see "Risks associated with Commodities as Reference Assets".*

8. Risks associated with Inflation Indices as Reference Assets

Inflation-Linked Notes may be settled or redeemed by the relevant Issuer by reference to the level of an inflation index (an "**Inflation Index**") or basket of inflation indices. Interest payable on Inflation-Linked Notes may be calculated by reference to the level of an inflation index or a basket of inflation indices.

*Index Delay and Disruption Events affecting Inflation-linked Notes*

Where the Notes are Inflation-Linked Interest Notes or Inflation-Linked Redemption Notes and there is a delay in publication of the level of an inflation index, the level of such inflation index ceases to be published, such inflation index is rebased, there is a material change to such index or there has been a manifest error in the publication of the level of such inflation index, the relevant Issuer may determine if such event has a material effect on the Notes and, if so, to make such addition, adjustment or amendment to the Conditions as the relevant Issuer deems necessary.

Many economic and market factors may influence an inflation index and consequently the value of Notes relating to inflation indices, including:

- general economic, financial, political or regulatory conditions and/or events; and/or
- fluctuations in the prices of various assets, goods, services and energy resources (including in response to supply of, and demand for, any of them); and/or
- the level of inflation in the economy of the relevant country and expectations of inflation.

In particular, the level of an inflation index may be affected by factors unconnected with the financial markets.

9. Risks associated with Foreign Exchange Rates as Reference Assets

An investment in currency-linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

Notes may be denominated in one currency (the “**Issue Currency**”) but payable in another currency (the “**Settlement Currency**”). The value of the Notes could therefore be affected by fluctuations in the value of the Issue Currency as compared to the Settlement Currency (which may be calculated, where applicable, on a cross-currency basis). This presents certain risks that the exchange rate (or the exchange rates) used to determine the Settlement Currency amount of any payments in respect of the Notes may significantly change (including changes due to devaluation or revaluation of the Settlement Currency as compared to the Issue Currency) and the risk that authorities with jurisdiction over such currencies could cause a decrease in (1) the Settlement Currency equivalent yield on the Notes, (2) the Settlement Currency equivalent value of the amount payable in respect of the relevant Redemption Amount of the Notes and (3) the Settlement Currency equivalent market value of the Notes. Therefore, there is a possibility that the Settlement Currency value of the Notes at the time of any sale or redemption, cancellation or exercise, as the case may be, of the Notes may be below the value of the investor's original investment in the Notes, depending on the exchange rate at the time of any such sale or redemption, cancellation or exercise, as the case may be.

- (a) *Factors affecting the performance of the relevant foreign exchange rate may adversely affect the value of the Notes*

The foreign exchange rate(s) to which the Notes are linked will affect the nature and value of the investment return on the Notes. The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a settlement currency that would affect exchange rates and the availability of a settlement currency.

- (b) *Each of Haitong Bank and HIIP is a major foreign exchange dealer and is subject to conflicts of interest*

Investors should note that the Issuers are regular participants in the foreign exchange markets and in the ordinary course of their business may effect transactions for their own account or for the account of their customers and hold long and short positions in currencies and related derivatives, including in the currencies that constitute Reference Assets in relation to the Notes. Such transactions may affect the relevant Reference Assets, the market price, liquidity or value of the Notes and could be adverse to the interests of Noteholders. The Issuers do not have any duty to enter into such transactions in a manner which is favourable to Noteholders.

- (c) *Currencies of emerging markets jurisdictions pose particular risks*

Currency-linked Notes linked to emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies.

10. Risks associated with Commodities as Reference Assets

An investment in commodity-linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

- (a) *Factors affecting the performance of commodities may adversely affect the value of the Notes; commodity prices may be more volatile than other asset classes*

Trading in commodities is speculative and may be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable, including, for example, changes in supply and demand relationships, weather patterns and extreme weather conditions, governmental programmes and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programmes, changes in interest and exchange rates and changes and suspensions or disruptions of market trading activities in commodities and related contracts. Commodity prices may be more volatile than other asset classes, making investments in commodities riskier than other investments.

- (b) *Commodities may reference physical commodities or commodity contracts, and certain commodity contracts may be traded on unregulated or “under-regulated” exchanges*

Commodities comprise both (i) “physical” commodities, which need to be stored and transported, and which are generally traded at a “Spot” price, and (ii) commodity contracts, which are agreements either to (A) buy or sell a set amount of an underlying physical commodity at a predetermined price and delivery period (which may be referred to as a delivery month) or to (B) make and receive a cash payment based on changes in the price of the underlying commodity.

Commodity contracts may be traded on regulated specialised futures exchanges (such as futures contracts). Commodity contracts may also be traded directly between market participants “over-the-counter” on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. Accordingly, trading in such “over-the-counter” contracts may not be subject to the same provisions as, and the protections afforded to, contracts traded on regulated specialised futures exchanges, and there may therefore be additional risks related to the liquidity and price histories of the relevant contracts.

- (c) *Notes which are linked to commodity futures contracts may provide a different return than Notes linked to the relevant physical commodity and will have certain other risks*

The price of a futures contract on a commodity will generally be at a premium or at a discount to the spot price of the underlying commodity. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g. warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Notes which are linked to commodity futures contracts may provide a different return than Notes linked to the relevant physical commodity.

Investments in futures contracts involve certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain commodity exchanges limit fluctuations in such futures contract prices pursuant to “daily limits”. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in the contract can neither be taken nor liquidated unless holders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Any such losses in such circumstances could have a negative adverse effect on the return of any Notes, the Reference Asset for which is the affected futures contract.

In the case of a direct investment in commodity futures contracts, the invested capital may be applied in whole or in part by way of collateral in respect of the future claims of the respective counterparties under the commodity futures contracts. Such capital will generally bear interest, and the interest yield will increase the return of the investor making such direct investment. However, holders of Notes linked to the price of commodity futures contracts do not participate in such interest yields from the hypothetical fully collateralised investment in commodity futures contracts.

- (d) *Additional risks in relation to the “rolling” of commodity futures contracts (including commodity futures contracts which are components of a commodity index)*

Commodity contracts have a predetermined expiration date – i.e. a date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical commodity or the requirement to make or receive a cash settlement. Alternatively, “rolling” the commodity contracts means that the commodity contracts that are nearing expiration (the “**near-dated commodity contracts**”) are sold before they expire and commodity contracts that have an expiration date further in the future (the “**longer-dated commodity contracts**”) are purchased. Investments in commodities apply “rolling” of the component commodity contracts in order to maintain an ongoing exposure to such commodities.

“Rolling” can affect the value of an investment in commodities in a number of ways, including:

- (i) *The investment in commodity contracts may be increased or decreased through “rolling”*

Where the price of a near-dated commodity contract is greater than the price of the longer-dated commodity contract (the commodity is said to be in “backwardation”), then “rolling” from the former to the latter will result in exposure to a greater number of the longer-dated commodity contract being taken. Therefore, any loss or gain on the new positions for a given movement in the prices of the commodity contract will be greater than if one had synthetically held the same number of commodity contracts as before the “roll”. Conversely, where the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract (the commodity is said to be in “contango”), then “rolling” will result in exposure to a smaller number of the longer-dated commodity contract being taken. Therefore, any gain or loss on the new positions for a given movement in the prices of the commodity contract will be less than if one had synthetically held the same number of commodity contracts as before the “roll”.

- (ii) *Where a commodity contract is in contango (or, alternatively, backwardation), such may be expected to (though it may not) have a negative (or, alternatively, positive) effect over time*

Where a commodity contract is in “contango”, then the price of the longer-dated commodity contract will generally be expected to (but may not) decrease over time as it nears expiry. In such event, rolling is generally expected to have a negative effect on an investment in the commodity contract. Where a commodity contract is in “backwardation”, then the price of the longer-dated commodity contract will generally be expected to (but may not) increase over time as it nears expiry. In such event, the investment in the relevant commodity contract can generally be expected to be positively affected.

In the case of Notes which are linked to a commodity contract, the referenced commodity contract will simply be changed without liquidating or entering into any positions in the commodity contracts. Accordingly, the effects of “rolling” described above do not apply directly to the Reference Asset and the Notes. Thus, an investor will not participate directly in possible effects of “rolling”. However, other market participants may act in accordance with the mechanism of “rolling” and such behaviour may have an indirect adverse impact on the value of the Reference Asset and therefore on the Notes.

Commodity indices are indices which track the performance of a basket of commodity contracts on certain commodities, depending on the particular index. The weighting of the respective commodities included in a commodity index will depend on the particular index, and is generally described in the relevant index rules of the index.

Commodity indices apply “rolling” of the component commodity contracts in order to maintain an ongoing exposure to such commodities. Specifically, as a commodity contract is required to be rolled pursuant to the relevant index rules, the commodity index is calculated as if exposure to the commodity contract was liquidated and exposure was taken to another (generally longer-dated) commodity contract for an equivalent exposure.

Accordingly, the same effects as described above with regard to “rolling” on the value of a Reference Asset of the Notes also apply with regard to the index level of a Commodity index.

- (e) *Legal and regulatory changes relating to the Commodities may lead to an early redemption or cancellation*

Commodities are subject to legal and regulatory regimes that may change in ways that could affect the ability of either of the Issuers to hedge their obligations under the Notes, and/or could lead to the early redemption or cancellation of the Notes.

#### 11. Risks associated with ETFs as Reference Assets

ETF Notes are Notes where the amount of principal and/or interest or the settlement amount payable are dependent upon the price or changes in the price of units or shares in an exchange traded fund (“ETF”) or ETFs and/or whether the price of units or shares in an ETF or ETFs is equal to, above or below one or more specified levels or where, depending on the price or changes in the price of units or shares in such ETF or ETFs and/or whether the price of units or shares in an ETF or ETFs is equal to, above or below one or more specified levels, on redemption the Issuer's obligation is to deliver specified assets.

An investment in ETF Notes entails significant risks in addition to those associated with investments in a conventional debt security.

Potential investors in ETF Notes should be aware that, depending on the terms of the ETF Notes, (i) they may receive no interest or a limited amount of interest, (ii) a change in the value of the ETF/ETFs may result in an early redemption or cancellation of their Notes, (iii) payment of principal or interest or the settlement amount or delivery of any specified assets may occur at a different time than expected, and (iv) they may lose all or a substantial portion of their investment. In addition, the movements in the price of units or shares in the ETF or ETFs may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices, and the timing of changes in the relevant price of the units or shares in the ETF or ETFs may affect the actual return to investors, even if the average level is consistent with their expectations. In addition, the ETF interests may be illiquid and this may adversely affect returns (if any) on the Notes. ETF Notes may be subject to certain disruption provisions or extraordinary event provisions. Relevant events may relate to market disruptions, or other extraordinary events in relation to the relevant ETF or ETFs and/or the corresponding underlying Index. If the Calculation Agent determines that any such event has occurred this may delay valuations under and/or settlements in respect of the Notes and consequently adversely affect the value of the Notes. In addition certain extraordinary or disruption events may lead to early termination of the Notes which may have an adverse effect on the value of such Notes. Whether and how such provisions apply to the relevant Notes can be ascertained by reading the “**Additional Conditions For Index-Linked Notes and ETF Notes**” in conjunction with the Applicable Transaction Terms.

If the amount of principal, interest or the settlement amount payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the units or shares of the ETF or ETFs on principal or interest payable will be magnified. If the amount of principal and/or interest or the settlement amounts payable are determined by reference to the least performing ETF in a basket of ETFs, then investors will not receive any benefit from the better performing ETF(s) in the basket.

The market price of ETF Notes may be volatile and may depend on the time remaining to the maturity date or expiration and the volatility of the price of units or shares in the ETF or ETFs. The price of units or shares in an ETF may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) (if any) on which any units in the ETF or ETFs may be traded. ETF units may be speculative and involve a high degree of risk. The Issuer does not give any assurance as to the performance of ETF units. Even if the Issuer or any of its Affiliates may have arrangements with an ETF manager to obtain information required to calculate the value of the ETF, it may not have access to the activities of the ETF on a continuous basis.

The underlying ETFs may have recourse to leverage, i.e., borrow amounts that represent more than 100.00 per cent. of the value of their assets to invest further in assets that involve further risks. Accordingly, a small downward movement in the value of an ETFs assets may result in a significantly larger loss of the fund. ETF managers may be eligible to earn incentive compensation. The potential for an ETF manager to earn performance based compensation may encourage such ETF manager to trade in a more speculative manner than it otherwise would. ETF managers (including a manager that is Affiliated with the Issuer) do not have any obligations to the Noteholders, or other role in connection with, the Notes, including any obligation to take the needs of the Noteholders into consideration for any reason. ETF managers are not responsible for, and have not endorsed or participated in, the offering, placement, sale, purchase or transfer of the Notes. The ETF's managers are not responsible for, and will not participate in, the determination or calculation of the amounts receivable by Noteholders. Changes to the current regulatory environment could affect the investment, operations and structure of the underlying ETFs and could adversely affect the performance of the underlying ETFs. The underlying ETFs may invest in assets that involve further risks.

Fees, deductions and charges may reduce the amount of principal and/or interest or settlement amount payable under the Notes. ETF fees will be deducted from the net asset value of the ETF, reducing the value of the ETF units. Accordingly, to the extent that the amount of principal and/or interest or settlement amount payable under the Notes is linked to the net asset value of an ETF, the relevant amount(s) payable to Noteholders will be less than it would have been absent these fees, deductions and charges, but the Issuer or one of its Affiliates may be the beneficiary of such fees or obtain rebate on such fees from third parties.

If the underlying ETF does not perform sufficiently well, the value of the Notes will fall and may in certain circumstances be zero. Prospective investors should review carefully the prospectus, information memorandum and/or offering circular (if any) issued by the relevant ETF prior to purchasing any Notes. The Issuer does not provide any assurance as to the creditworthiness of any relevant ETF or any such ETF's administrator, custodian, investment manager or adviser or in respect of any prospectus, information memorandum and/or offering circular (if any) issued by any relevant ETF.

There are numerous additional risks relating to Notes linked to ETFs. For all of the above reasons, investing directly or indirectly in ETFs is generally considered to be risky.

## 12. Risks associated with Baskets comprising various constituents as Reference Assets

### (a) *Exposure to performance of basket and its underlying constituents*

Where the Notes reference a basket of assets as Reference Assets, the investors in such Notes are exposed to the performance of such basket. The investors will bear the risk of the performance of each of the basket constituents.

### (b) *A high correlation of basket constituents may have a significant effect on amounts payable*

Correlation of basket constituents indicates the level of interdependence among the individual basket constituents with respect to their performance. If, for example, all of the basket constituents originate from the same sector and the same country, a high positive correlation may generally be assumed. Past rates of correlation may not be determinative of future rates of correlation: investors should be aware that, though basket constituents may not appear to be correlated based on past performance, it may be that they suffer the same adverse performance following a general downturn or other economic or political event. Where the basket constituents are subject to high correlation, any move in the performance of the basket constituents will exaggerate the performance of the Notes.

### (c) *The negative performance of a single basket constituent may outweigh a positive performance of one or more other basket constituents*

Investors in Notes must be aware that, even in the case of a positive performance of one or more basket constituents, the performance of the basket as a whole may be negative if the performance

of the other basket constituents is negative to a greater extent, subject to the terms and conditions of the relevant Notes.

- (d) *A small basket, an unequally weighted basket or a “best of” or “worst of” basket will generally leave the basket more vulnerable to changes in the value of any particular basket constituent*

The performance of a basket that includes a fewer number of basket constituents will generally, subject to the terms and conditions of the relevant Notes, be more affected by changes in the value of any particular basket constituent included therein than a basket that includes a greater number of basket constituents.

The performance of a basket that gives greater weight to some basket constituents or bases the level of the entire basket only on the value of one of the basket constituents will generally, subject to the terms and conditions of the relevant Notes, be more affected by changes in the value of any such particular basket constituent included therein than a basket that gives relatively equal weight to each basket constituent.

- (e) *A change in composition of a basket may have an adverse effect on Basket Return*

Where the Notes grant the Issuer or the Calculation Agent the right, in certain circumstances, to adjust the composition of the basket, investors should be aware that any replacement basket constituent may perform differently from the anticipated performance of the original basket constituent, which may have an adverse effect on the performance of the basket.

### 13. Risks related to Credit-Linked Notes

#### *General risks relating to Credit-Linked Notes*

The Issuer may issue Notes (“**Credit-Linked Notes**”) (i) where the amount payable on redemption is dependent upon whether one or more specified events (“**Credit Events**”) have occurred in respect of one or more Reference Entity/Entities and, if so, on the value of certain specified obligations of such Reference Entity/Entities or (ii) where, if a Credit Event has occurred, the Issuer’s obligation on redemption is to deliver certain specified obligations of the relevant Reference Entity/Entities.

Prospective investors in any such Credit-Linked Notes should be aware that depending on the terms of the Credit-Linked Notes (i) they assume credit risk in relation to all specified Reference Entities and related obligations of those Reference Entities, (ii) they may receive no or a limited amount of interest, (iii) (A) the payment of the redemption amount or interest or (B) the delivery of any specified obligations may occur at a different time than expected and (iv) they may lose all or a substantial portion of their investment.

#### *Cash Settlement*

The market price of Credit-Linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the maturity date or settlement date, as applicable, prevailing credit spreads and the creditworthiness of the Reference Entity/Entities which in turn may be affected by the economic, financial and political events in one or more jurisdictions. In addition investors will be exposed to market conditions and price risk in relation to the determination Market Recovery Value (if a Fixed Recovery Value is not applicable) in the case of cash settled Credit-Linked Notes. This will directly affect the return to investors following a Credit Event. In extreme circumstances, such as those which prevailed in certain securities markets following the insolvency of Lehman Brothers in 2008, market participants may not be willing to bid or to provide quotes for a considerable period of time. As a result, the market price determined for a given obligation – even for obligations that are fully performing – may be zero, in which case investors will risk losing 100 per cent. of their investment. The fact that extreme circumstances may be affecting the market as a whole or that the market price of a security or obligation may recover at a future date after the Market Recovery Value has been determined will not be relevant to determining the Market Recovery Value.

### *Physical Settlement*

Where the Credit-Linked Notes provide for physical delivery, the Issuer may determine that the specified obligations to be delivered are either (a) obligations which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the failure to obtain any requisite consents with respect to the delivery of obligations which are loans) it is impossible or illegal to deliver on the specified settlement date or (b) obligations of the relevant Reference Entity which the Issuer and/or any of its affiliates has not received under the terms of any transaction and/or trading position entered into by the Issuer and/or any of its affiliates to hedge the Issuer's obligations in respect of the Credit-Linked Notes. Any such determination may delay settlement in respect of the Credit-Linked Notes and/or cause the obligation to deliver such specified obligations to be replaced by an obligation to pay a cash amount which, in either case, may affect the value of the Credit-Linked Notes and, in the case of payment of a cash amount, will affect the timing of the valuation of such Credit-Linked Notes and, as a result, the amount payable on redemption. Prospective investors should review the "Terms and Conditions of the Notes" and the Applicable Transaction Terms to ascertain whether and how such provisions may apply to the Credit-Linked Notes.

The Issuer, the Dealer or any of their respective affiliates may have acquired, or during the term of the Credit-Linked Notes may acquire, non-public information with respect to the Reference Entity/Entities that they may not disclose. Prospective investors must therefore make an investment decision based upon their own due diligence and purchase the Credit-Linked Notes in the knowledge that non-public information which the Issuer, the Dealer or any of their respective affiliates may have will not be disclosed to investors. None of the Issuer, the Dealer and any of their respective affiliates is under any obligation (i) to review on the Noteholders' behalf, the business, financial conditions, prospects, creditworthiness, status or affairs of the Reference Entity/Entities or conduct any investigation or due diligence into the Reference Entity/Entities or (ii) other than as may be required by applicable rules and regulations relating to the Credit-Linked Notes, to make available (a) any information relating to the Credit-Linked Notes or (b) any non-public information they may possess in respect of the Reference Entity/Entities.

In the case of physical delivery, where the specified obligation to be delivered is a loan, in order for the delivery of the loan (or an interest in the loan) to be effected, the specified obligation must be capable of being transferred to the Noteholders in accordance with its terms and the Noteholders must have the capacity to hold such loan (or loan interest).

The Issuer's obligations in respect of Credit-Linked Notes are irrespective of the existence or amount of the Issuer's and/or any of its affiliates' credit exposure to a Reference Entity and the Issuer and/or any of its affiliates need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

### *2014 ISDA Credit Derivatives Definitions*

While there are many similarities between the terms used in this Offering Circular and the terms used in the 2014 ISDA Credit Derivative Definitions, as supplemented from time to time, (the "**Credit Derivative Definitions**"), there are a number of differences. In particular, the Issuer has determined that certain provisions of the Credit Derivatives Definitions, which are intended for use by market participants in "over the counter" transactions, require amendment when incorporated in the terms of an offering of securities such as the Credit-Linked Notes. Therefore, a prospective investor should understand that the complete terms and conditions of the Credit-Linked Notes are as set out in this Offering Circular and the Applicable Transaction Terms and that the Credit Derivative Definitions are not incorporated by reference herein. Consequently, investing in Credit-Linked Notes is not necessarily equivalent to investing in a credit default swap that incorporates the Credit Derivatives Definitions.

### *Risks relating to the Market Recovery Value of Credit-Linked Notes*

Where 'Market Recovery Value' is specified to apply in the Applicable Transaction Terms, the Market Recovery Value will be determined according to an auction procedure administered by the International Swaps and Derivatives Association, Inc. ("**ISDA**"), or any successor organisation, which will be set out in the relevant "*Transaction Auction Settlement Terms*", a form of which will be published by on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and may be amended by

ISDA without notice to the holders of the Credit-Linked Notes from time to time. The Market Recovery Value determined pursuant to an auction may be less than the market value that would otherwise have been determined in respect of the relevant Reference Entity or obligations. The Issuer and the Noteholders may have little or no influence in the outcome of any such auction.

If the relevant Credit Derivatives Determinations Committee does not decide to conduct an auction with respect to obligations of the relevant Reference Entity satisfying the relevant characteristics as set out in the Applicable Transaction Terms, then the value of the Reference Entity's obligations will be determined by the Issuer acting in good faith and in a commercially reasonable manner.

#### *Extension of Maturity Date*

In certain circumstances the scheduled maturity of the Notes may also be delayed in order to allow certain credit derivative determinations to be made in respect of the Credit-Linked Notes. Investors will not receive any additional payment for such delay.

#### *Country and Regional Risk*

The price and value of the relevant obligations may be influenced by the political, financial and economic stability of the country and/or region in which the Reference Entities (as defined in the Applicable Transaction Terms) are incorporated or have their principal place of business or of the country in the currency of which the obligations under the Notes are denominated. In certain cases the price and value of assets originating from countries not ordinarily considered to be emerging markets countries may behave in a manner similar to those of assets originating from emerging markets countries.

#### *Emerging Markets*

The Reference Entities and the relevant obligations may originate from an emerging markets country. Investing in securities issued by entities in emerging markets countries or in securities, the return of which is linked to such securities, involves certain systemic and other risks and special considerations which include:

- (i) the prices of emerging markets assets may be subject to sharp and sudden fluctuations and declines;
- (ii) emerging markets securities and other assets tend to be relatively illiquid. Trading volume may be lower than in debt of higher grade credits. This may result in wide bid/offer spreads prevailing in adverse market conditions. In addition, the sale or purchase price quoted for the relevant obligations may vary depending on the size of the holding for which a quotation is sought; and
- (iii) published information in or in respect of emerging markets countries and the issuers of or obligors in respect of emerging markets securities or other assets has been proven on occasions to be materially inaccurate; and
- (iv) delivery of relevant obligations which are emerging markets securities or other assets may be subject to restrictions or delays arising under local law.

#### *Correlation risk*

An investment in Credit-Linked Notes will entail significant risks not associated with a conventional fixed rate or floating rate debt security. Such risks include exposure to the credit risk of the particular Reference Entity or basket of Reference Entities (and, where applicable, one or more specific relevant obligations) in addition to that of the relevant Issuer. Depending on the manner in which the particular series of Credit-Linked Notes is linked to the credit of a Reference Entity or basket of Reference Entities, a fall in the creditworthiness of a particular Reference Entity (or where perceptions worsen regarding the creditworthiness of a particular Reference Entity), may greatly reduce the market value of the related Notes and any payments of principal or interest then due. If a series of Notes is linked to a basket of Reference Entities, a credit deterioration in one reference entity may be strongly correlated with credit deterioration of other reference entities included in the basket, resulting in substantial decreases over a relatively short period of time in the market value of the related Notes and any payments of principal or

interest then due. In a "Nth to Default" or "Nth and Nth + 1" to Default structure, the occurrence of a credit event in relation to particular Reference Entities will have a greater than proportionate impact on the market value and payment of principal and interest in relation to the relevant Notes.

*Nature of payments of principal and/or interest*

In the event of the occurrence of certain circumstances (which may include, amongst other things, Bankruptcy, Failure to Pay, Obligation Acceleration, Repudiation/Moratorium, Restructuring or another Credit Event) in relation to a Reference Entity or Reference Entities, in each case, as specified in the Applicable Transaction Terms, the Issuer's obligation to pay principal or perform other obligations under the Notes may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Asset(s). In addition interest bearing Credit-Linked Notes may cease to bear interest on or prior to the date of occurrence of such circumstances.

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

*Market price volatility*

The market price of Credit-Linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the maturity date and the creditworthiness of the Reference Entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

*No need for Issuer to suffer loss with respect to any Reference Entity*

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

*No information regarding Reference Entities*

No investigation has been or will be made regarding any of the Reference Entities. Prospective investors in Credit-Linked Notes should obtain and evaluate information regarding the Reference Entities as if they were investing directly in the debt obligations of the Reference Entities. In addition, investors should understand that the historical performance of any specific debt obligation or the debt obligations of such Reference Entities generally is not predictive of future performance. As none of the Reference Entities has participated in the preparation of this Offering Circular, there can be no assurance that all material events or information regarding the Reference Entities have been disclosed at the time the Notes are issued. Subsequent disclosure of any such events or the failure to disclose material events concerning any of the Reference Entities could affect the redemption amount payable on the Notes or the general trading price of the Notes.

*Debt obligations may consist of subordinated debt*

Any debt obligations for Credit-Linked Notes may include subordinated debt obligations. Such subordinated debt obligations will rank junior to, and the value of such subordinated debt obligations may be less than that of, senior obligations in respect of the same Reference Entity, and the value of such subordinated debt obligations may even be zero in circumstances where a Credit Event has occurred. The Issuer is under no fiduciary duty to select Reference Assets or deliverable assets of any particular value or that maximise value for Noteholders.

*Risks relating to physically settled Notes*

The risk of delivery of the relevant asset or property will be at the risk of the Noteholders and where any settlement disruption or other intervening event occurs this may mean that physical settlement cannot be made.

Where the Exempt Securities provide for physical delivery:

- the Calculation Agent may determine that a Settlement Disruption Event is subsisting. A Settlement Disruption Event is an event beyond the control of the Issuer as a result of which, in the opinion of the Calculation Agent, the Issuer cannot make delivery of the specified assets. Any such determination may affect the value of the Notes and/or may delay settlement of the Notes; and
- in the event that a Noteholder does not deliver a valid Asset Transfer Notice as contemplated in Annex 6, the Issuer may, but is not required to, elect to deliver to the relevant Clearance System(s) the aggregate Asset Amount to be divided between and delivered to the relevant Noteholders by Euroclear or Clearstream, Luxembourg in accordance with the rules of the relevant clearance system(s) but no assurance is given as to the effect of such rules or other clearance system practices for any such Noteholders.

#### *Risks relating to interest features*

1. Risks relating to Notes which the Issuer has the option to switch to Fixed Rate Notes

Notes may bear interest at a rate that the relevant Issuer may elect to convert to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

2. Risks relating to Notes where the interest may automatically switch to Fixed Rate interest

The Notes may bear interest at a rate that may, following satisfaction of certain conditions, automatically convert to a fixed rate. If the interest converts to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

3. Risks relating to variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for notes that do not include those features.

4. Risks relating to LIBOR

A change in the method of calculation or discontinuance of the London Inter-Bank Offered Rate (“**LIBOR**”), which is a floating rate, could have a negative impact on the value of any Notes where any interest payment is linked in whole, or in part, to LIBOR (“**LIBOR-linked Notes**”). The current administrator of LIBOR is Intercontinental Exchange Benchmark Administration Ltd (“**ICE**”), which replaced the British Bankers' Association (“**BBA**”) on 1 February 2014. There can be no assurance that ICE will not in future make changes to LIBOR. No administrator of LIBOR will have any obligation to any investor in respect of LIBOR-linked Notes and as such, the administrator may take actions in respect of LIBOR that could have a negative effect on the value of LIBOR-linked Notes.

5. Risks relating to inverse floating rate Notes

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate, such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

6. Risks relating to Range Accrual Notes

The amount of interest that an investor in the Notes receives in respect of Range Accrual Notes is linked to the performance of the Reference Asset(s) specified in the Applicable Transaction Terms and on how many actual days during the relevant Interest Period or Valuation Period the level or value of the Reference Asset(s) remains within a certain range, (the upper and lower limit of which is specified in the Applicable Transaction Terms). If the level or value of the Reference Asset(s) is below the lower limit or higher than the upper limit on some or all of the days in an Interest Period or Valuation Period, the investor may receive low or even zero interest payments, respectively, for the relevant Interest Period. Noteholders should note that no interest accrues on days when the level or value of the Reference Asset(s) is outside of the range specified. The rate at which interest accrues may be a fixed rate, floating rate or other rate specified in the Applicable Transaction Terms. Interest payable on the Notes is therefore also linked to the volatility of the level or value of the Reference Asset(s). Range Accrual Notes may not be suitable for investors who require regular income payments.

7. Risks relating to Notes in respect of which the interest basis is specified to be "Contingent Coupon"

Interest payable on Notes in respect of which the interest basis is specified to be "Contingent Coupon" shall only be payable in respect of a particular Interest Payment Date if a certain condition has been satisfied in respect of the related Interest Period. Such Notes may not be suitable for investors who require regular income payments.

*Risks relating to particular Redemption Bases*

1. Risks related to the complexity of the product

The yield structure for structured Notes is sometimes complex and may contain mathematical formulae or relationships which, for the investor, may be difficult to understand and compare with other investment alternatives. The relationship between yield and risk may be difficult to assess. As to the correlation between yield and risk it can generally be said that a relatively high yield most often is associated with relatively greater levels of risk. One way of increasing the probability of a higher yield is, for example, to include leverage effects in the yield structure which results in comparatively small changes in the performance of Reference Assets that may have major effects for the value and yield on Notes. Such a structure is generally also associated with a higher risk (see Risks relating to particular Reference Assets below). The past performance of corresponding investments is only a description of the historical performance of the investment and shall not be regarded as an indication of future yield. Information regarding past performance is not available with respect to certain reference objects; for example, with respect to certain hedge funds. Investors should carefully consider which yield structure applies to the Notes or Notes in which the investor is investing in order to obtain an understanding of how the relevant Notes operate in different scenarios and the risks an investment in the Notes entails.

2. Risks relating to Notes which are not principal protected

The Notes may or may not be principal protected. If the Note is not principal protected there is no guarantee that the return that an investor receives on the Notes upon their redemption will be greater than or equal to the principal amount. If the Redemption Amount of the Notes is not principal protected, but is to be determined solely by reference to the value or level of one or more Reference Assets, any reduction in the value of the Reference Asset (or, in the case of a "put" or "reverse convertible" structure, any increase in value) may be expected to result in a reduction in the Redemption Amount of the Notes. Accordingly, it is possible that the return on Notes linked to such Reference Asset(s) may be considerably less than the amount paid by investors for such Notes and may be zero.

3. Risk relating to premium and participation ratio

The relationship between the value of a structured Note and the performance of the Reference Assets or changes between them is not always linear but, rather, sometimes depends on the yield structure and a participation ratio which determines the extent to which the performance of the Reference Asset is reflected in the value of the Note. The participation ratio is set by the relevant Issuer and determined, among other things, by term to maturity, volatility, market interest rates and expected dividends on the

Reference Asset. In certain structures, the participation ratio may differ depending on whether or not the performance of the relevant Reference Assets is positive or negative. Variations in the participation ratio may increase or decrease the extent to which a Noteholder is exposed to the performance of the relevant Reference Assets. The amount that the investor risks is greater in those structured Notes that are subscribed for/purchased at a premium, i.e. when the investor pays more than the nominal amount, due to the risk that these might be redeemed only at the nominal amount.

4. Intensity Price fluctuations, so called volatility

If, pursuant to the relevant Applicable Transaction Terms, a note is designed to include variables such as multipliers or leverage factors, cap/floor, another combination of these variables or other similar elements, the market value of such Notes may be more volatile than the market value of a note without such elements.

5. “Best of” / “Worst of” features in respect of Baskets.

Where the return on the Notes is linked to the performance of a Basket and that the “Best of” feature is applicable, the value of the Basket will depend on a specified number of components comprising the Basket that have shown the best performance in comparison to the other components comprising the Basket over a specified period of time. Conversely, where the “Worst of” feature is applicable, the value of the Basket will depend on a specified number of components comprising the Basket that have shown the worst performance in comparison to the other components comprising the Basket over a specified period of time. As the best-performing components, or the worst-performing components, of a Basket, as applicable, are not representative of the performance of the Basket as a whole, any calculations or determinations of value that involve the “Best of” or “Worst of” feature may produce results that are very different to those that take into account the performance of the Basket as a whole. Potential investors should examine the manner in which the “Best of” and “Worst of” features affect the value of any Basket and examine the context in which such value affects the determination of any payouts. Potential investors in any such Notes should be aware that the returns they receive (if any) on investment in Notes which have a “Best of” and / or “Worst of” feature may be substantially different from the return on investment in Notes without such features.

6. Risk of automatic early redemption

In relation to certain types of Notes, the Notes will be automatically redeemed prior to their maturity if certain conditions are met. Notes of this type have an uncertain maturity date. Certain types of Notes may also be automatically redeemed early if a specified trigger is breached during a specified period or on a specified date or dates, or if the amount of interest that has been paid in respect of the Notes reaches a certain level. If a Reference Asset or Basket performs poorly, Noteholders may receive little or no interest during the term of the Notes and/or receive low or even zero return at maturity, and in some circumstances may result in a loss of part or all of their investment. Prospective investors should consider reinvestment risk in light of other investments available at that time.

7. Risks relating to Notes which the Issuer has the option to switch to Fixed Rate Notes or where the interest may automatically switch to Fixed Rate interest

Notes may bear interest at a rate that the relevant Issuer may elect to convert to a fixed rate or at a rate that may, following satisfaction of certain conditions, automatically convert to a fixed rate. In such circumstances, the Applicable Transaction Terms may specify that, notwithstanding that a different redemption basis may be specified in the Applicable Transaction Terms, the Notes shall be redeemed at maturity at "par", meaning that the amount payable on redemption per calculation amount shall equal the calculation amount.

***Risks related to Notes generally***

Set out below is a brief description of certain risks relating to the Notes generally.

***Modification, waivers and substitution***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Bearer Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Bearer Notes or (ii) determine without the consent of the holders of the Bearer Notes that any Event of Default or potential Event of Default shall not be treated as such. Interbolsa Notes are not constituted by the Trust Deed and thus any such modification, waiver, authorisation or determination will have to be agreed in accordance with the provisions of meetings of holders of Interbolsa Notes (see Condition 16(b)).

#### *Change of law*

The conditions of the Notes (other than Interbolsa Notes) are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular.

The conditions of the Interbolsa Notes and the Tier 2 Notes are based on Portuguese law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to Portuguese law or administrative practice after the date of this Offering Circular.

#### *Trading of Bearer Notes and Registered Notes (other than Interbolsa Notes) in the clearing systems*

As Global Notes or Global Certificates under the Programme may be held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfers, payments and communications with the Issuers.

Bearer Notes and Registered Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates, as the case may be. Such Global Notes or Global Certificates may be deposited with a common depositary, common safekeeper or custodian for the clearing systems. Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive Definitive Notes or Registered Certificates. The clearing systems will maintain records of the beneficial interests in the Global Notes and Global Certificates. While the Bearer Notes are represented by one or more Global Notes, and the Registered Notes are represented by one or more Global Certificates, investors will be able to trade their beneficial interests only through the clearing systems.

While the Bearer Notes and Registered Notes are represented by one or more Global Notes or Global Certificates, as the case may be, the relevant Issuer will discharge its payment obligations under the Bearer Notes and Registered Notes by making payments to the common depositary, common safekeeper or custodian for the clearing systems for distribution to their account holders. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the clearing systems to receive payments under the relevant Bearer Notes or Registered Notes. The Issuers have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Noteholders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Bearer Notes or Registered Notes, as the case may be. Instead, such holders will be permitted to act only to the extent that they are enabled by the clearing systems to appoint appropriate proxies.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note or Registered Certificate in respect of such holding (should Definitive Notes or Registered Certificates be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If Definitive Notes or Registered Certificates are issued, holders should be aware that Definitive Notes or Registered Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

*Some Notes may be subordinated to most of the relevant Issuer's liabilities*

If in the case of any particular Tranche of Notes and if the Applicable Transaction Terms specify that the Notes are subordinated obligations of the Issuer and the Issuer is declared insolvent and a winding up is initiated, the Issuer will be required to pay the holders of senior debt and meet its obligations to its unsecured creditors in full before it can make any payments on the relevant Notes. If this occurs, the Issuer may not have enough assets remaining after the payments to its unsecured creditors to pay the amounts due under the relevant Notes.

*Impact of Basel Committee reforms on subordinated debt (CRD IV and BRRD)*

On 16 December 2010, the Basel Committee issued its final guidance (the “**Basel December 2010 Guidelines**”) in relation to a package of new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions (so-called “**Basel III**”). The Basel December 2010 Guidelines included a set of eligibility criteria for Additional Tier 1 (“**AT1**”) and Tier 2 capital instruments.

Basel III has been implemented in European Union law through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investments firms (the “**CRD IV Directive**”) and Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013, on prudential requirements for credit institutions and investment firms (the “**CRR**” and, together with the CRD IV Directive, “**CRD IV**”). The CRR has directly applied to EU Member States since 1 January 2014 and includes provisions regarding, among other things, own funds requirements, minimum capital ratios and liquidity ratios. EU Member States were required to adopt and publish laws, regulations and administrative provisions implementing the CRD IV Directive by 31 December 2013.

The CRD IV Directive includes provisions regarding, among other things, prudential supervisory powers, remuneration and bonuses, corporate governance and disclosure requirements, as well as imposing a number of additional capital buffers on credit institutions and certain investment firms, namely:

- a capital conservation buffer, whereby in-scope institutions will be required to maintain a buffer of common equity Tier 1 capital (“**CET1 capital**”) equal to 2.5 per cent. of their risk-weighted assets (“**RWAs**”);
- a countercyclical capital buffer, whereby in-scope institutions will be required to maintain a buffer of CET1 capital of between 0 and 2.5 per cent. of their RWAs (or such higher amount as may be specified by the prudential supervisor in the relevant EU Member State);
- a systemically important institution buffer, which depending on whether an institution is a global systemically important institution (a “**G-SII**”) or another systemically important institution (an “**O-SII**”) could result in an institution having to maintain a buffer of CET1 capital of between 1 and 3.5 per cent. of its RWAs (if it is a G-SII) or a buffer of CET1 capital of up to 2 per cent. of its RWAs (if it is an O-SII); and
- a systemic risk buffer, which may be imposed by EU Member States on the entirety of its financial sector or sub-sets of its financial sector which may result in affected institutions maintaining a buffer of CET1 capital of up to 3 per cent. for all exposures and up to 5 per cent. for domestic and third country exposures.

Though the CRR permits to phase the impact of the capital conservation buffer from 1 January 2016 until 1 January 2019, the Bank of Portugal has decided to fully anticipate the effectiveness of capital conservation buffer on 1 January 2016 to all Banks under its supervision, according to Notice (*Aviso*) of the Bank of Portugal no. 1/2015, as of 7 September 2015.

Therefore, as from January 2016, excluding the counter-cyclical buffer, the systemically important institution buffer and the systemic risk buffer, banks under the supervision of the Bank of Portugal are required to maintain:

- a Common Equity Tier 1 ratio of at least 7 per cent. (comprising its Pillar 1 CET1 capital requirement of 4.5 per cent. of its RWAs and the capital conservation buffer);
- a Tier 1 ratio of at least 8.5 per cent. (comprising its Pillar 1 CET1 capital requirement of 4.5 per cent. of its RWAs, its Pillar 1 AT1 capital requirement of 1.5 per cent. of its RWAs and the capital conservation buffer); and
- a total capital ratio of at least 10.5 per cent. (comprising its Pillar 1 CET1 capital requirement of 4.5 per cent. of its RWAs, its Pillar 1 AT1 capital requirement of 1.5 per cent. of its RWAs and its Pillar 1 Tier 2 capital requirement of 2 per cent. of its RWAs and the capital conservation buffer).

Since 1 January 2014, Portuguese banks have been required to maintain a minimum Common Equity Tier 1 ratio of 7.0 per cent. (as calculated in accordance with certain transitional arrangements pursuant to Notice 6/2013 of the Bank of Portugal).

In addition, in May 2014, the EU Council and the EU Parliament approved a Directive establishing a framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”). The aim of the BRRD is to equip national authorities with harmonised tools and powers to tackle crises at banks and certain investment firms at the earliest possible moment, and to minimise costs for taxpayers. These tools and powers include:

- preparatory and preventive measures (including the requirement for banks to have recovery and resolution plans);
- early supervisory intervention (including powers to authorities to take early action to address emerging problems); and
- resolution tools, which are intended to ensure the continuity of essential services and to manage the failure of a bank in an orderly way.

EU Member States are required to implement the BRRD in national law by 1 January 2015, save that the bail-in tool (which will enable the recapitalisation of a failed or failing bank through the imposition of losses on certain of its creditors through the write-down of their claims or the conversion of their claims into the failed or failing bank’s equity) has been in force from 1 January 2016. The BRRD was implemented in Portugal under Decree-Law no. 298/92, of 31 December, as amended from time to time, in particular by Law no. 23-A/2015, of 26 March, and as currently in force, establishing the Portuguese Legal Framework of Credit Institutions and Financial Companies (hereinafter, “**RGICSF**”) and including the requirements for the application of preventive measures, supervisory intervention and resolution tools to credit institutions and investment firms in Portugal.

The bail-in tool as proposed in the BRRD will apply to all “eligible liabilities” (as defined in the BRRD) irrespective of when they were issued and the Notes issued pursuant to this Programme do constitute “eligible liabilities”. Consequently, the application of the bail-in tool in relation to HIIP or Haitong Bank could result in Noteholders losing some or all of their investment. The application of the bail-in tool or any suggestion of such application could also, therefore, materially adversely affect the value of the Notes.

There remains uncertainty how application of the bail-in tool may affect the Issuers and the Notes in any resolution scenario and there can be no assurance that, in such a scenario, any actions by the Portuguese resolution authority would not adversely affect the rights of holders of the Notes, the price or value of an investment in the Notes and/or the Issuers’ ability to satisfy their obligations under the relevant Notes.

#### *Loss of investment*

In the case of any particular Tranche of Notes there may be a risk that any investor may lose the value of his entire investment or part of it.

#### *U.S. Foreign Account Tax Compliance Act Withholding*

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and US Treasury regulations promulgated thereunder (together “**FATCA**”) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a “**foreign financial institution**”, or “**FFI**” (as defined by FATCA)) that does not become a “Participating FFI” by entering into an agreement with the U.S. Internal Revenue Service (“**IRS**”) to provide the IRS with certain information in respect of its account holders or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any account holder (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such account holder is a U.S. person or should otherwise be treated as holding a “United States account” (as defined under FATCA) of the Issuer (a “**Recalcitrant Holder**”).

FATCA implementation is being phased in for payments from sources within the United States and is currently proposed to apply to "foreign passthru payments" (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2019. This withholding on foreign passthru payments would potentially apply to payments in respect of (i) any Notes issued or materially modified on or after the "grandfathering date", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term “foreign passthru payment” are filed with the Federal Register; and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into or announced their intention to enter into intergovernmental agreements to facilitate the implementation of FATCA (each, an “**IGA**”). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a “Reporting Financial Institution” or "Reporting FI" (as defined in the IGA) that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a “**FATCA Withholding**”) from payments it makes (unless, in certain circumstances, it has agreed to do so under the U.S. "qualified intermediary", "withholding foreign partnership", or "withholding foreign trust" regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA requires Reporting FIs to apply FATCA Withholding to U.S. source payments in certain circumstances and leaves open the possibility that a Reporting FI might in the future be required to make FATCA Withholdings on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders to its home government or to the IRS unless it is treated as exempt from having “financial accounts” for FATCA purposes.

#### *Ireland*

Ireland signed a Model 1 IGA with the United States on 21 December 2012, therefore where the Relevant Issuer is HIIP, HIIP will be required to comply with FATCA under Irish national legislation implementing such IGA. HIIP is an FFI for the purposes of the IGA between Ireland and the United States and has registered with the IRS with registration number DJ6MQR.00002.ME.372. HIIP is required to comply with the requirements of Irish law and regulations implementing such IGA. HIIP will be required to provide certain information in respect of its Noteholders to the Irish tax authorities, which, in turn, will report such information to the IRS.

#### *Portugal*

Portugal signed a Model 1 IGA with the United States on 6 August 2015, therefore where the Relevant Issuer is Haitong Bank acting through its head office, it will be required to comply with FATCA under Portuguese national legislation implementing such IGA. Haitong Bank, acting through its head office, is an FFI for the purposes of the IGA between Portugal and the United States and has registered with the IRS with registration number DJ6MQR.00000.LE.620. Haitong Bank, acting through its head office, is required to comply with the requirements of Portuguese law and regulations implementing such IGA. Haitong Bank, acting through its head office, will be required to provide certain information in respect of its Noteholders to the Portuguese tax authorities, which, in turn, will report such information to the IRS. It is expected that further legislation will be implemented in Portugal in connection with FATCA.

#### *United Kingdom*

The United Kingdom signed a Model 1 IGA with the United States on 12 September 2012, therefore where the Relevant Issuer is Haitong Bank acting through its London branch, it will be required to comply with FATCA under United Kingdom national legislation implementing such IGA. Haitong Bank, acting through its London branch is an FFI for the purposes of the IGA between the United Kingdom and the United States and is registered with the IRS with registration number DJ6MQR.00000.BR.826. Haitong Bank, acting through its London branch, is required to comply with the requirements of United Kingdom law and regulations implementing such IGA. Haitong Bank, acting through its London branch, will be required to provide certain information in respect of its Noteholders to United Kingdom HM Revenue & Customs, which, in turn, will report such information to the IRS.

Each Issuer is currently not expected to be required to make any FATCA Withholdings before 1 January 2019 (at the earliest) from the payments it makes. There can be no assurance, however, that the Issuers would not in the future be required to deduct FATCA Withholding from future payments. Accordingly, the Issuers and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Notes, then, pursuant to the conditions of the Notes, neither the Relevant Issuer nor any paying agent nor any other person would generally be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

In the case of Notes which are in global form and held within Euroclear Bank SA/NV and Clearstream Banking, S.A. (together, the “ICSDs”), it is not expected that FATCA will affect the amount of any payment received by the ICSDs. Notes may be issued in definitive form and therefore not held, or may be exchanged for Notes in definitive form and therefore may cease to be held, through an ICSD. If this were to happen then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA, including any legislation implementing IGAs relating to FATCA, if applicable), and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding.

Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Relevant Issuer’s obligations under the Notes are discharged once it has paid the common depository for the clearing system (as legal owner of the Notes) and the Relevant Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE ISSUERS AND THE NOTES IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAS, AND THE IGAS BETWEEN EACH OF IRELAND, PORTUGAL AND THE UNITED KINGDOM WITH THE UNITED STATES, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCES.

*An Issuer may issue additional Notes with identical terms that may have a negative impact on the market value of the original Notes*

An Issuer may from time to time, without the consent of the holders of outstanding Notes, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, may be treated as a separate series for U.S. federal income tax purposes. If the additional Notes are issued with OID, this may have a negative impact on the market value of the original Notes if the additional Notes are not otherwise distinguishable from the original Notes.

### ***Risks relating to Interbolsa Notes***

Reliance upon Interbolsa procedures and Portuguese law investments in Interbolsa Notes will be subject to Interbolsa procedures and Portuguese law with respect to the following:

#### ***(a) Form and Transfer of Interbolsa Notes***

Notes held through accounts of Affiliate Members of Interbolsa (as defined in "Form of the Notes" hereunder) will be represented in dematerialised book-entry form (*forma escritural*) and will either be registered Notes ("*nominativas*") or bearer Notes ("*ao portador*"), as specified in the Applicable Transaction Terms. Interbolsa Notes will be registered in the relevant issue account opened by the relevant Issuer with Interbolsa and will be held in control accounts by the Affiliate Members of Interbolsa on behalf of the relevant Noteholders. Such control accounts will reflect at all times the aggregate number of Interbolsa Notes held in the individual securities accounts opened by the clients with the Affiliate Members of Interbolsa (which may include Euroclear and Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and Clearstream, Luxembourg). The transfer of Interbolsa Notes and their beneficial interests will be made through Interbolsa.

#### ***(b) Payments on Interbolsa Notes***

Payment of principal and interest in respect of Interbolsa Notes will be credited by the Issuer in the payment current-account which the Portuguese Paying Agent uses for payments in respect of securities held through Interbolsa, and (i) if made in euro will be (a) credited, according to the procedures and regulations of Interbolsa, by the Portuguese Paying Agent to the payment current account which the Affiliate Members of Interbolsa (whose control accounts with Interbolsa are credited with such Notes) use for payments in respect of securities held through Interbolsa and thereafter (b) credited by such Interbolsa Affiliate Members from the aforementioned payment current-accounts to the accounts of the Noteholders or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be; (ii) if made in currencies other than euro will be (a) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the Portuguese Paying Agent in the Foreign Currency Settlement System (*Sistema de Liquidação em Moeda Estrangeira*), managed by Caixa Geral de Depósitos, S.A., to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter (b) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the Noteholders of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be.

The Noteholders must rely on the procedures of Interbolsa to receive payment under the Interbolsa Notes. The records relating to payments made in respect of beneficial interests in the Interbolsa Notes are maintained by the Affiliate Members of Interbolsa and each Issuer accepts no responsibility for, and will not be liable in respect of, the maintenance of such records.

#### ***(c) Portuguese Tax Rules***

Pursuant to Decree-Law 193/2005, of 7th November, 2005, as amended from time to time, investment income paid to holders of Interbolsa Notes, and capital gains derived from a sale or other disposition of such Notes, will be exempt from Portuguese income tax only if certain documentation requirements are duly complied with.

Failure to comply with these procedures and certifications will result in the application of the Portuguese domestic withholding rate of 25 per cent. (in the case of non-resident legal persons), of 28 per cent. (in the case of non-resident individuals), or 35 per cent. (in the case of payments to (i) omnibus accounts without the disclosure of the effective beneficiary of the income or to (ii) legal persons or individuals domiciled in blacklisted jurisdictions as defined in Ministerial Order 150/2004 of 13 February as amended namely by Ministerial order (*Portaria*) no. 292/2011 of 8 November 2011), as the case may be, or if applicable, in reduced withholding tax rates of up to 15 per cent., pursuant to tax treaties signed by Portugal, provided that the procedures and certification requirements established by the relevant tax treaty are complied with (see section on Portuguese Taxation).

The Issuers will not gross up payments in respect of any such withholding tax in any of the cases indicated in Condition 8 of the Interbolsa Notes, including failure to deliver or incorrect filling of the certificate or declaration referred to above. Accordingly, holders of Interbolsa Notes must seek their own advice to ensure that they comply with all procedures to ensure correct tax treatment of their Interbolsa Notes.

### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk.

#### *The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the relevant Issuer. The Issuers cannot predict which of these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

#### *Exchange rate risks and exchange controls*

The relevant Issuer will pay principal and interest on the Notes in the Specified Currency or, if specified in the Applicable Transaction Terms, in the Settlement Currency). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency or Settlement Currency, as the case may be. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or Settlement Currency, as the case may be, or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency or Settlement Currency, as the case may be, would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

### *Liquidity Risk*

Liquidity risk is the risk that an institution may not be able to meet its financial commitments to a client or market at any time, in any place, or currency without incurring substantial losses. Banks are subject to liquidity risk by virtue of their business of providing long term loans and receiving short term deposits.

Haitong Bank manages its liquidity in complete compliance with relevant supervisory entity regulations, ensuring the highest standards of prudent liquidity management.

### *Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

### *Ratings of the Notes*

One or more independent credit rating agencies may assign credit ratings to the Notes. In general, European regulated investors are restricted under CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the Applicable Transaction Terms.

A credit rating is not a recommendation to buy, sell or hold securities. Credit ratings are subject to revision or withdrawal at any time by the assigning rating agency. The Issuer cannot be certain that a credit rating will remain for any given period of time or that a credit rating will not be downgraded or withdrawn entirely by the relevant rating agency if, in its judgment, circumstances in the future so warrant. The Issuers have no obligation to inform Noteholders of any such revision, downgrade or withdrawal. A suspension, downgrade or withdrawal at any time of a credit rating assigned to either of the Issuers may adversely affect the Issuers' ability to finance their liquidity needs at competitive market rates, which could adversely affect the Issuers' operations and, in turn, the trading prices of the Notes.

### *Specific risks related to Haitong Bank's market*

As a result of the recent acquisition of 100% of its share capital by Haitong Securities in September 2015, Haitong Bank's management and governance model is being redefined to align with the new shareholder's objectives and practices. On the risk management side, this process of adaptation is at an advanced stage and it is expected to be completed during 2016.

The objective of the risk management function – a key element to the development of Haitong Bank activities – is to identify, assess, monitor and report all the material risks to which it is subject to, both internally and externally, so that such risks remain within limits that are consistent with the risk profile and risk tolerance level approved by Haitong Bank's Executive Committee (the "**Executive Committee**").

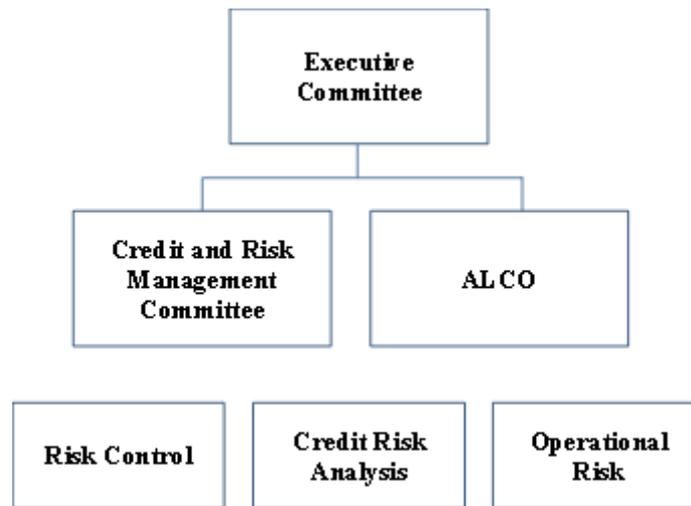
The risk management function operates independently from the business areas, providing advice on risk management to the decision-makers of Haitong Bank, having in place control systems to identify, monitor and manage risks, as well as areas to support the business development.

### *Governance*

The Executive Committee is responsible for establishing the risk appetite policy and control systems framework that assure the Bank has the necessary skills and resources to meet its objectives.

The risk management function is independent from the business units, supervising all material risks to which Haitong Bank's various units are exposed to and consistently incorporates risk, capital and liquidity concepts into the Group's strategy and business decisions.

The current structure of the relevant Committees for Haitong Bank's Risk Management is the following:



Risk control and supervision roles are carried out by the Executive Committee, which delegates the setting of rules and procedures and the approval of transactions and risk limits to the Credit and Risk Management Committee (“**CRC**”), and the definition and monitoring of balance sheet and liquidity management policies to the Assets and Liabilities Committee (“**ALCO**”).

Haitong Bank’s risk management function envisages the alignment of strategic orientation set by the Executive Committee and the operational-level decisions, ensuring:

- independence relative to the other areas of the Group, namely the business areas, and credibility with the management and supervisory bodies, shareholders, and regulators. It should be stressed that this role has no decision powers over specific transactions;
- the integration and global management of all types of risk (credit, market, liquidity, on-balance sheet interest rate, and operational risks, at both domestic and international level) and consistency in risk/return metrics; and
- consistent incorporation of risk, capital and liquidity concepts in the strategy and business decisions of the whole Haitong Bank, ensuring full comparability between risk versus return.

Currently, the Risk function comprises three distinct units – Risk Control, Credit Risk Analysis, and Operational Risk Analysis – entailing the following tasks:

- identify, assess, monitor and report the different types of risk assumed, thus managing the overall risk exposure, ensuring compliance with internal and regulatory rules, and promoting and monitoring mitigation actions;
- implement the risk policies outlined by the Executive Committee, while harmonising principles, concepts and methodologies across all Haitong Bank’s units;
- support Haitong Bank’s value creation objectives through the development and monitoring of methodologies to identify and quantify the various categories of risk as well as support tools for the structuring, pricing and approval of operations, and also internal models for performance assessment and for optimising the capital allocation;
- plan and monitor regulatory capital, leverage and liquidity requirements;
- develop the internal capital and liquidity adequacy assessment process (“**ICAAP**” and “**ILAAP**”);
- participate on the elaboration of Haitong Bank’s Funding and Capital Plan (“**FCP**”); and
- elaborate and maintain the Recovery Plan.

#### *Credit risk*

Credit risk is the potential financial loss arising from the failure of an obligor or counterparty to honour its contractual obligation. As credit risk is the major risk to which Haitong Bank is exposed, credit risk

management and control are supported by a robust system that permits to identify, assess, quantify and report risk.

### Management Practices

Credit portfolio management is carried out as an ongoing process that requires the full coordination between the various teams/functions in charge of the management of risk during the different stages of the credit process.

- *Limit Setting*

All transactions involving credit or market risk, as well as the risk limits framework for each Haitong Bank business unit (in Portugal, Spain, Poland, the United States of America, Mexico, Brazil, the United Kingdom and Ireland) are approved by the Global Credit and Risk Management Committee.

This committee has the following specific responsibilities:

- set global and regional risk exposure and tolerance limits, based on solvency and risk/return optimisation;
- as applicable, delegate approval powers to the business units within pre-established risk appetite, taking into account ratings as well as total and partial limits for each rating bucket by maturity, sector, country and other criteria;
- analyse and approve or reject the transactions submitted by each business unit and/or geography, ensuring they comply with the risk appetite established by the Executive Committee, and subject to current legal and regulatory requirements as well as best market practices;
- approve changes to individual and aggregate limits in accordance with the business areas and products; and
- monitor all the relevant risk parameters for Haitong Bank's activity.

This ensures that the maximum exposure limits approved per counterparty, rating and sector are attributed taking into account the specific features of markets, products, currencies and maturities.

The approval of limits is preceded by an in-depth analysis of the markets, particularly regarding their liquidity, to ensure that Haitong Bank's strategic objectives can be reached at both individual and consolidated level. The use of internal and external ratings for purposes of establishing portfolio ceilings that limit credit approvals by both product and rating levels, inhibit credit approvals for the worse risk ratings.

- *Internal Rating*

Although, as a consequence of the carve-out process from Novo Banco, Haitong Bank has reverted to Standardised Approach for measuring the regulatory capital requirements, the internal credit rating assignment is still a key element on supporting credit risk management.

Haitong Bank internal rating function was effectively internalised by retaining an experienced team of analysts and by keeping the rating tool (scorecards and guidelines) sponsored by Standard and Poor's.

The internal ratings measure the probability of default in a one year period and they are assigned to all clients and counterparties of Haitong Bank. They are mandatory for credit decisions and used as impairment trigger and warning signal. Annual update and maintenance of the internal rating framework is ensured by contracted services with Standard and Poor's.

- *Monitoring*

The credit risk monitoring and control activities aim to quantify and control the evolution of credit risk and to allow early definition and implementation of particular measures to deal with specific situations where there is a deterioration of risk – with a view to mitigating potential losses – as well as to outline global strategies for credit portfolio management.

In this context, and with the central goal of complying with risk management standards, the credit risk monitoring function and its implementation are objectively considered as one of the top priorities of the risk management and control system.

This function comprises the following main processes:

(i) daily and weekly portfolio monitoring:

Haitong Bank teams in each business unit work closely with the risk management team in Portugal to ensure risk monitoring and control routines are properly implemented. This involves the following processes:

- daily collection, preparation, control and reporting to the different business areas of information on loans, securities portfolios, derivatives and other products' positions and use level of approved limits;
- weekly risk reporting on each category of risk, namely the risk appetite of Haitong Bank's loan portfolio by type of instrument, the total exposure by instrument, country, rating, industry sector, maturity, margin, capital requirements, new/recent approvals by the Credit and Risk Management Committee, limits exceeded, impairment signs, among others; and
- preparation of support material for external and internal reporting on credit and counterparty risk.

(ii) monitoring of clients with impairment triggers:

To strengthen monitoring and control of the loan portfolio the Impairment Committee has the specific purpose of assessing the Bank's loan portfolio provisions, especially for impaired exposures.

The Committee uses credit risk model information in conjunction with the analysis, among others, of:

- the client's overall exposure and the existence of overdue loans;
- the economic and financial viability of the client's business and its capacity to generate sufficient resources to service its debt in the future;
- the existence of privileged creditors;
- the existence, nature and estimated value of collaterals;
- the client's exposure in the financial sector; and
- the amount and timing of expected recoveries.

An exposure is considered to be impaired, when: (i) there is objective evidence of impairment resulting from one or more events occurring after its initial recognition; (ii) the event or events have an impact on the recoverable value of the future cash flows of the loan or loan portfolio, as far as this can be reasonably estimated.

(iii) global risk analysis of credit portfolios:

Credit portfolio management is an ongoing process that requires interaction among the various teams responsible for the management of risk during the different stages of the credit process. The risk of credit portfolios, specifically in what concerns the evolution of credit exposure and the monitoring of credit losses, is reported on a monthly basis to the Executive Committee.

The portfolio limits/ceilings are used to monitor the evolution of the risk appetite of the various credit portfolios. Compliance with the established ceilings is monitored on a regular basis. The resulting information is distributed to the business areas and to the Global Credit and Risk Management Committee.

To what concerns concentration risk – the risks that arises from the possibility of an exposure or group of exposures that share common or interrelated risk factors producing sufficiently large losses to undermine an institution's solvency – Haitong Bank has established limits for the largest individual exposures and for exposures by sector. The regular monitoring of these limits, together with that of regulatory limits, namely for large exposures, reinforces Haitong Bank's monitoring and follow-up framework for credit risk concentration. The impact of concentration risk is incorporated in the economic capital model for credit risk.

- *Credit Recovery Process*

The entire credit recovery process is built upon on the concept of “integrated client”. To support credit recovery and restructuring, Haitong Bank’s Capital Structure Advisory Division advises on and implements corporate liabilities management solutions. The division also works on loan restructurings aiming to minimize impairments and maximize the credit recovery rate.

### *Market Risk*

Market risk is the possible loss resulting from an adverse change in the value of a financial instrument due to fluctuations in interest rates, foreign exchange rates, share/indexes prices, commodity prices, real estate prices, volatility and credit spreads.

#### Management Practices

Market Risk is monitored on a short-term perspective (10 days) for the trading book and on a medium term perspective (1 year) for the banking book.

#### (a) *Trading book risk*

The main measure of market risk is the estimation of potential losses under adverse market conditions, for which Value at Risk (VaR) methodology is used. VaR is calculated using the historical simulation, with a 99% confidence level and an investment period of 10 business days. Volatilities and correlations are historical, based on an observation period of one year.

The identification, valuation, monitoring and control of market risk are the responsibility of a specific unit, the Market Risk Control unit, which works in full independence from Haitong Bank’s business areas.

In organisational terms, Market Risk Control functions are spread geographically among the Bank’s different business units, which have the appropriate skills and resources to evaluate the specific activities and risks incurred by each company of the Group.

The Market Risk Control unit is responsible for analysing the relevant factors for each type of risk using statistical techniques, measuring market volatility, analysing depth and liquidity indicators, and simulating the transactions concerned under different market conditions to establish adequate limits for each business area. In addition to the technical analysis for setting appropriate limits, the Market Risk Control unit also takes into account the track record and experience of the business area concerned and its strategic objectives to ensure that the limits reflect the Bank’s guidelines for each category of risk.

The proposed limits are submitted for approval to two Local Credit Risk Management Committees (the Brazil CRC and the New York CRC), and subsequently to the Global Credit and Risk Management Committee in Lisbon. The limits are reviewed at least annually or whenever required by strategic reasons or market conditions.

To obtain a clear picture of the risks incurred and to provide the whole organisation with clear messages regarding the desired risk appetite, a wide range of risk assessment measures are used, complemented by position, stop loss and concentration limits.

Risk assessment measures used include VaR (Value at Risk), the BPV (Basis Point Value) sensitivity measure, and Greeks (Vega and Rho). VaR is calibrated using back testing analysis.

The way in which the risk assessment and control methodologies, described above, are implemented is adapted to factor in the specific features of the market in which each business entity operates

#### (b) *Banking book risk*

Other risks in the banking book arise from adverse movements in interest rates, credit spreads, and in the market value of equity securities and real estate in non-trading exposures in the balance sheet.

– Interest rate risk

Interest Rate Risk may be understood in two different but complementary ways, namely as the effect on the net interest margin, or as the impact on capital, resulting from interest rate movements that affect a bank's banking book.

Fluctuations in market interest rates can affect a bank's net interest margin by altering the amount of income and costs associated with interest rate products, as well as by impacting on the value of the underlying assets, liabilities and off-balance sheet instruments.

The banking book exposure to interest rate risk is calculated in compliance with Haitong Bank for International Settlements (BIS) methodology, classifying all interest rate sensitive assets, liabilities and off balance sheet items, excluding those from trading, using repricing tenors.

The model used is similar to the duration model, using a stress testing scenario corresponding to a parallel shift of 200 basis points in the yield curve for all interest rate levels (Bank of Portugal Instruction (*Instrução*) 19/2005).

Interest rate risk measurement basically consists in determining the effect of changes in interest rates on equity and net interest income. On 31 December 2015 interest rate risk had a EUR 14,829 thousand positive impact on Haitong Bank's shareholders' equity, which compares with a EUR 7,333 thousand negative impact at the end of 2014.

– Credit Spread Risk

The credit spread, which reflects the ability of an issuer to meet its obligations up to their maturity, is one of the factors considered in the assets' valuation. It shows the difference between the interest rate of a risky asset and the interest rate of a risk-free asset in the same currency.

The credit spread risk of an asset derives from the respective issuer's credit spread volatility. This risk is measured based on a VaR at 99% with a holding period of one year.

– Risk of Equity Instruments and other Variable Income Securities

Haitong Bank is also subject to other types of risk in the banking book, namely the risk of Equity Holdings and the risk of Mutual Funds. These risks may broadly be described as the probability of a loss resulting from an adverse change in the market value of these financial instruments.

The risk of equity holdings and mutual funds, which arises from the respective market prices and equity indexes, is measured based on a VaR at 99%, considering a holding period of one year. This includes the FX risk in equities in the available for sale portfolio and in the portfolio of assets at fair value.

– Real Estate Risk

Real estate risk arises from adverse changes in the market value of real estate assets where Haitong Bank has exposure to, in the balance sheet, through investment funds.

(c) *Pension fund risk*

The pension fund risk stems from the possibility of the value of the fund's liabilities (the obligations of the fund) exceeding the value of its assets (the fund's investments). When that occurs, Haitong Bank must cover the difference and incur the respective loss (contributions to the fund).

Haitong Bank's pension fund risk is measured based on the estimated value of assets and liabilities with a timeframe of one year.

The Fund's estimated return corresponds to the maximum losses which the Fund may incur in a period of one year. This return is determined by calculating, for a confidence interval of 99%, the 1-year VaR of the Pension Fund's assets portfolio at the reference date.

The responsibilities are updated based on the projected current cost within one year.

To quantify the pension fund risk Haitong Bank uses the same models and methodologies used to determine the material risks incurred by its assets.

### *Operational risk*

Operational risk may be defined as the probability of occurrence of events with a negative impact on earnings or capital resulting from inadequate or negligent application of internal procedures, information systems, staff behaviour, or external events. Legal risk is also included in this definition. Operational risk is therefore considered as the sum of the operational, information systems, compliance and reputational risks.

### Management Practices

Operational risk is managed through a set of procedures that standardise, systematise and regulate the frequency of actions aimed at the identification, monitoring, control and mitigation of this risk. The priority in operational risk management is to identify and mitigate or eliminate risk sources, even if these have not resulted in financial losses.

The management methodologies in place are supported by the principles and approaches to operational risk management issued by the Basel Committee and those underlying the Risk Assessment Model implemented by the Bank of Portugal, recognised as reflecting the best practices in this area.

The operational risk management model is supported by a structure within the organisation exclusively dedicated to its design, monitoring and maintenance. This structure works in close coordination with the elements indicated below, whose active participation is crucial:

- operational risk representatives from the departments, branches and subsidiaries integrated within the scope of operational risk management, who are responsible for the day-to-day management of operational risk in their units, where they must guarantee that the established procedures are implemented;
- the Compliance Department, which plays an important role in guaranteeing that the processes are well documented, detecting specific risks and verifying the controls implemented, ascertaining the rigour of control design and identifying required steps for improvement and full effectiveness, while maintaining continuous reporting to and from the operational risk management;
- the Internal Audit Department which tests the effectiveness of risk management and controls, identifies required steps for improvement and assesses their implementation; and
- the Information Technology Department for its role on business continuity.

The operational risk management includes the following:

- identification and reporting of operational risk events. This database not only considers loss-events but also events with positive impacts or others with no accounting impacts (near-misses);
- implementation of procedures to monitor the registration of events in order to verify the effectiveness of the identification/mitigation processes implemented in each subsidiary and branch and at the same time ensure the collection and consistency of the information on events with financial impacts;
- regularly carrying out self-assessment analysis to identify the larger risks and corresponding mitigation actions;
- monitoring of risk factors through key risk indicators (KRIs); and
- calculation of capital requirements in accordance with the Standardised Approach (this is performed by the Management Information Department).

### *Liquidity risk*

Liquidity risk arises from an institution's present or future inability to meet all payment obligations when they come due or secure such resources only at excessive cost.

Liquidity risk may be divided into two types:

- *market liquidity risk* – the impossibility of selling an asset due to lack of liquidity in the market, leading to the widening of the bid/offer spread or the application of a haircut to its market value; and
- *funding liquidity risk* – the impossibility to obtain market funding to finance assets and/or refinance debt coming to maturity, in the desired currency. This can lead to a sharp increase in the cost of funding or to the requirement of collaterals in exchange for funding. Difficulties in (re)financing may lead to the sale of assets incurring significant losses.

### Management Practices

Liquidity and funding management is a basic element in Haitong Bank business strategy and a fundamental pillar, together with capital, in supporting its strength and resilience.

Haitong Bank takes the primary responsibility for its own liquidity risk management. Global Haitong's Group Debt Financing Management participates in the whole decision-making process of its subsidiaries' financing activities and provides appropriate guide and assistance.

To provide protection against unexpected fluctuations and based on a solid organizational and governance model, Haitong Bank liquidity risk management envisages delivering appropriate term and structure of funding consistent with the following principles:

- compliance with regulatory standards on liquidity;
- full alignment with liquidity risk appetite set by the Executive Committee;
- deep understanding of business strategy's current and future liquidity needs;
- availability of sufficient immediate liquidity buffer under both normal and stressed conditions; and
- development of a diversified investors' base and maintain access to a variety of alternative funding sources, while minimising the cost of funding.

In 2015, Haitong Bank submitted its Board approved ILAAP document to the Bank of Portugal.

### *Capital Management*

Capital management seeks to guarantee Haitong Bank's sound solvency and profitability under the strategic objectives and the risk appetite set by the Executive Committee and therefore is of critical importance to Haitong's approach to financial stability and sustainability management.

### Management practices

The capital management practices and guidelines are shaped to accomplish the business strategic aims and the risk appetite set by the Executive Committee. Accordingly, with the objective of maintaining capital that is adequate in quantity and quality, Haitong Bank has in place a capital management framework assisted by the following streams:

- constant monitoring of regulatory capital requirements;
- annual revision of the risk appetite by the Executive Committee;
- business objectives adequately measured on capital planning. In 2015, Haitong Bank submitted its Funding and Capital Plan document to the Bank of Portugal; and

- complementing the regulatory focus, Haitong Bank executes on an annual basis an internal risk-based capital self-assessment that consists of a forward-looking measurement of all material risks incurred by Haitong Bank (including the ones not covered on Pillar 1 regulatory capital). In 2015, Haitong Bank submitted its ICAAP document to the Bank of Portugal.

As part of our capital management policy, Haitong Bank maintains a recovery capital plan, which provides the escalation path for crisis management governance and identifies the list of actions and strategies designed to respond to a capital stress event.

### Regulatory capital and leverage ratios

#### (i) Solvency

Regulatory capital requirements are determined by the Bank of Portugal under the CRR (Regulation EU No 575/2013) and CRD IV (Directive 2013/36/EU). Under these regulatory frameworks, capital requirements are set in consideration of the level of risk that the Bank is exposed to, which is measured through both risk-weighted assets (RWAs) and leverage.

The regulation provides for a transitional period to exclude some elements previously included (phase-out) and include/deduct new elements (phase-in) in which institutions may accommodate the new requirements. The transitional period for the majority of the elements will last until the end of 2017, with the exception of the deferred tax assets generated prior to 1 January 2014 and both the subordinated debt and all the hybrid instruments not eligible as own funds under the new regulations, which have a longer period (until the end of 2021).

Under this regulatory framework, the minimum CET1 ratio is 4.5%, the minimum Tier1 ratio is 6% and the minimum Total capital ratio is 8%.

In addition, from January 2016 onwards these minimum ratios will be supplemented by a new capital conservation buffer. CRD IV requirements permit to phase the impact of this buffer in, beginning on January 1, 2016, in increments of 0.625% per year until it reaches 2.5% of RWAs on January 1, 2019. Though, the Bank of Portugal decided to fully anticipate the effectiveness of capital conservation buffer on January 1, 2016 to all Banks under its supervision.

Still under the CRD IV capital buffers context, the Bank of Portugal decided, on December 2015, to apply a capital surcharge to six Portuguese banking groups classified as O-SIIs (Other Systemically Important Institutions). The O-SII buffer ranges from 1% to 0.25% and will be effective from January 1, 2017. According to Bank of Portugal decision, Haitong Bank was, at this point in time, excluded from the scope of application of this macro-prudential buffer.

The regulation also provides a new counter-cyclical capital buffer of up to 2.5% (and also consisting entirely of CET1), to be imposed in the event that national supervisors deem it necessary in order to counteract excessive credit growth in Portugal. In March 2016, the Bank of Portugal decided not to impose any additional counter-cyclical capital buffer. This decision applies to the second quarter of 2016 and will be subject to revision on a quarterly basis.

In 2016, Haitong Bank will be, for the first time, subject to the Supervisory Review and Evaluation Process (SREP), under which higher capital ratios may be imposed to Haitong Bank by the Bank of Portugal.

As a consequence of the carve-out process from Novo Banco, Haitong Bank is currently using the Standardized Approach to calculate the risk weighted assets for Credit Risk.

#### (ii) Leverage

Additionally, the CRR/CRD framework introduced a non-risk based leverage ratio. The leverage ratio compares Tier 1 capital to a measure of leverage exposure, aiming to constrain the build-up of excessive leverage in the banking sector and to backstop the existing risk-weighted capital requirements with a simple, non-risk-weighted measure. Leverage ratio “test-level” minimum requirement was set at 3% and it is expected to be introduced as a binding measure as of 2018.

***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 (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the summary and the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the Applicable Transaction Terms. The Relevant Issuer and the Dealer (and any Relevant Dealer) may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a supplemental Offering Circular will be published.*

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive.

Words and expressions defined or used in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this Overview.

Issuers:	Haitong Investment Ireland p.l.c. (" <b>HIIP</b> "). Haitong Bank (acting through its head office or its London branch) (" <b>Haitong Bank</b> ").
Keep Well Agreement:	HIIP has the benefit of a Keep Well Agreement executed between HIIP and Haitong Bank under which HIIP has assigned by way of security its rights under the Keep Well Agreement to the Trustee for the benefit of the holders of HIIP Notes. HIIP Notes will not be guaranteed by Haitong Bank.
Description:	Euro Medium Term Note Programme.
Dealer/ Relevant Dealers:	Haitong Bank, S.A. or any other dealer as appointed in respect of an issue of Notes under the Programme.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see " <i>Subscription and Sale</i> ") including the following restrictions applicable at the date of this Offering Circular.  <b>Notes having a maturity of less than one year</b>  Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see " <i>Subscription and Sale</i> ").  Unless otherwise permitted by the current laws and regulations or by the Central Bank, Notes having a term of less than one year must have a minimum denomination of € 125,000 (or its equivalent in other currencies).
Trustee:	Citicorp Trustee Company Limited.
Issuing and Principal Paying Agent:	Citibank, N.A., London Branch or, in the case of Interbolsa Notes, the Portuguese Paying Agent.
Portuguese Paying Agent:	Haitong Bank, S.A.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Relevant Issuer and the

Relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Czech koruna, Danish kroner, euro, Hong Kong dollars, Japanese Yen, New Zealand dollars, Norwegian kroner, Sterling, South African rand, Swedish kronor, Swiss francs and United States dollars (as indicated in the Applicable Transaction Terms).

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*").

**Maturities:** The Notes will have such maturities as may be agreed between the Relevant Issuer and the Relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Relevant Issuer or the relevant currency specified in the Applicable Transaction Terms.

At the date of this Offering Circular, the minimum maturity of Tier 2 Notes will be five years and one day, to enable such Notes to qualify as capital for supervisory purposes.

**Issue Price:** Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

**Form of Notes:** The Notes (except for Interbolsa Notes) will be in bearer form or in registered form. All Bearer Notes will on issue be represented by either a Temporary Global Note or a Permanent Global Note as specified in the Applicable Transaction Terms. Temporary Global Notes will be exchangeable either for (a) a Permanent Global Note or (b) Definitive Notes, as indicated in the Applicable Transaction Terms. Permanent Global Notes will be exchangeable (in whole but not in part) for Definitive Notes either (i) upon not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (ii) only upon the occurrence of an Exchange Event as described under "*Form of the Notes*".

Interbolsa Notes will be issued in dematerialised book-entry form (*forma escritural*) and will either be bearer Notes (*ao portador*) or registered Notes (*nominativas*), as specified in the Applicable Transaction Terms and further described under "*Form of the Notes*". Interbolsa Notes may only be transferred in accordance with the applicable procedures established by Decree-Law 486/99, of 13 November, as amended from time to time (the "**Portuguese Securities Code**") and the regulations issued by the *Comissão do Mercado de Valores Mobiliários* (the Portuguese Securities Market Commission, the "**CMVM**") and Interbolsa.

Registered Notes will be represented by a registered certificate in global form (a "**Global Certificate**") deposited with a common depository for Euroclear and Clearstream Luxembourg.

**Fixed Rate Notes:** Fixed interest will be payable on such date or dates as may be agreed between the Relevant Issuer and the Relevant Dealer (as indicated in the Applicable Transaction Terms) and on redemption. The yield of each Tranche of Fixed Rate Notes will be calculated on the basis of the relevant issue price at the relevant issue date.

**Floating Rate Notes:** Floating Rate Notes will bear interest at a rate determined:

- (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency

governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (iii) (in the case of Exempt Notes only) on such other basis as may be agreed between the Relevant Issuer and the Relevant Dealer,

as indicated in the Applicable Transaction Terms.

The margin (if any) relating to such floating rate will be agreed between the Relevant Issuer and the Relevant Dealer for each Series of Floating Rate Notes.

Inflation –Linked Interest Notes, Index Interest Notes, Compounding Floater Notes, Credit-Linked Interest Notes

The Applicable Transaction Terms will indicate how the interest payable in respect of such Notes is to be determined. The relevant Interest Amount may be linked to the credit performance of one or more Reference Entities, the price performance of one or more Reference Assets (which may include equities, shares (including private equity/depository receipts), indices (including inflation indices), interest rates, currencies, fund units and/or commodities) and/or fluctuations in currency exchange rates.

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as shall be indicated in the Applicable Transaction Terms. Interbolsa Notes may be Dual Currency Notes provided that the information required for such purpose is made available to Interbolsa by the Issuer or by the Portuguese Paying Agent, pursuant to the Interbolsa applicable procedures in this respect.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption:

The Applicable Transaction Terms will indicate how the Redemption Amount payable in respect of the redemption of the Notes is to be determined. The Redemption Amount may be linked to the credit performance of one or more Reference Entities, the price performance of one or more Reference Assets (which may include equities, shares (including private equity)/depository receipts, indices (including inflation indices), interest rates, currencies, fund units, commodities and/or fluctuations in currency exchange rates).

In respect of any Series of Credit-Linked Notes, the Applicable Transaction Terms may provide that, upon the occurrence of a Credit Event, such Notes will fall for early redemption and, further, may provide that a Noteholder's entitlement in respect of such early redemption will be satisfied by the delivery of debt obligations of the relevant Reference Entity.

The Applicable Transaction Terms will indicate either that (i) the relevant Notes of such Tranche cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or for taxation reasons or following an Event of Default) or that (ii) such Notes will be redeemable at the option of the Relevant Issuer (but subject to the prior consent of the Bank of Portugal in respect of the Tier 2 Notes) and/or the relevant Noteholders (in the case of Senior Notes only) upon giving not less than 30 nor more than 60 days' irrevocable notice (or such other notice period (if any) as is

indicated in the Applicable Transaction Terms) to the relevant Noteholders or the Relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Relevant Issuer and the Relevant Dealer. If thus specified in the Applicable Transaction Terms, the Notes may also be redeemed prior to their stated maturity in certain circumstances, depending on the performance of the relevant Reference Assets and/or if the total amount of interest payable in respect of the Notes exceeds a specified threshold.

Any early redemption of the Tier 2 Notes shall be subject to the prior consent of the Bank of Portugal.

The Applicable Transaction Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in such Applicable Transaction Terms.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Certain Restrictions – Notes having a maturity of less than one year*" above.

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the Relevant Issuer and the Relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see "*Certain Restrictions – Notes having a maturity of less than one year*" above), and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Offering Circular and have been filed with the Irish Stock Exchange or approved by the Central Bank shall be incorporated in, and form part of, this Offering Circular:

- the auditors' report and audited statutory consolidated financial statements of Haitong Bank for the financial year ended 31 December 2015 which is available for viewing at:  
<http://www.haitongib.com/media/3682825/2015-annual-report.pdf>
- the audited financial information of HIIP for the financial year ended 31 December 2015 which is available for viewing at:  
<http://www.ise.ie/app/announcementDetails.aspx?ID=12798476>
- the auditors' report and audited statutory financial statements for each of the financial years ended 31 December 2013 and 31 December 2014 of HIIP (then ESIP) which are available for viewing at:  
<http://www.haitongib.com/media/3362761/esip-2014-financial-statements.pdf>  
<http://www.ise.ie/app/announcementDetails.aspx?ID=11937515>
- the auditors' report and audited statutory consolidated financial statements for each of the financial years ended 31 December 2013 and 31 December 2014 of Haitong Bank (then BESI) which are available for viewing at:  
[http://www.haitongib.com/media/3352663/annual\\_report\\_2014\\_0.pdf](http://www.haitongib.com/media/3352663/annual_report_2014_0.pdf);  
[http://www.haitongib.com/media/2603366/rc\\_2013\\_ing.pdf](http://www.haitongib.com/media/2603366/rc_2013_ing.pdf)
- the "Terms and Conditions of the Notes" section from each of the Offering Circulars published by the Issuers and dated:
  - (i) 28 November 2002, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus%20dated%2028.11.2002\\_1376c362-e65f-4e94-a0c4-a3efd1330f15.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus%20dated%2028.11.2002_1376c362-e65f-4e94-a0c4-a3efd1330f15.pdf);
  - (ii) 5 December 2003, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus%20dated%2005.12.2003\\_b4532098-9f96-46fa-9f53-9f2a41972d25.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus%20dated%2005.12.2003_b4532098-9f96-46fa-9f53-9f2a41972d25.pdf);
  - (iii) 6 December 2004, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus%20dated%2006.12.2004\\_04fc09d4-aaf6-45b9-84fa-bd853699ce05.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus%20dated%2006.12.2004_04fc09d4-aaf6-45b9-84fa-bd853699ce05.pdf);
  - (iv) 22 November 2005, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus%20dated%2022.11.2005\\_13b26f7d-46b8-41e8-abf1-34f3c6c07248.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus%20dated%2022.11.2005_13b26f7d-46b8-41e8-abf1-34f3c6c07248.pdf);
  - (v) 29 September 2006, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus%20dated%2029.09.2006\\_c1b0816d-de55-497e-8cdd-73b735bb3382.pdf](http://www.ise.ie/debt_documents/Base%20Prospectus%20dated%2029.09.2006_c1b0816d-de55-497e-8cdd-73b735bb3382.pdf);

- (vi) 25 July 2007, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/espírito\\_9399.pdf](http://www.ise.ie/debt_documents/espírito_9399.pdf);
- (vii) 25 July 2008, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/espíritofprospectus-esip%20-%201\\_1384.PDF](http://www.ise.ie/debt_documents/espíritofprospectus-esip%20-%201_1384.PDF);
- (viii) 27 July 2009, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Espírito%20Santo%20Investment\\_BP\\_27.07.09\\_16446.pdf](http://www.ise.ie/debt_documents/Espírito%20Santo%20Investment_BP_27.07.09_16446.pdf);
- (ix) 21 July 2010, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Espírito%20Santo%20Investment\\_BP\\_21.07.2010\\_16255.pdf](http://www.ise.ie/debt_documents/Espírito%20Santo%20Investment_BP_21.07.2010_16255.pdf);
- (x) 2 August 2011, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_063f75dd-8604-4c31-a27e-4bc7faa4a587.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_063f75dd-8604-4c31-a27e-4bc7faa4a587.PDF);
- (xi) 29 June 2012, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_6569e551-8f88-4bc2-b0cc-724ed15f443d.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_6569e551-8f88-4bc2-b0cc-724ed15f443d.PDF);
- (xii) 8 July 2013, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_dd972c73-77ce-409a-a9e6-420309260a4e.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_dd972c73-77ce-409a-a9e6-420309260a4e.PDF); and
- (xiii) 30 March 2015, which is available for viewing at:  
[http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_93b0cebf-4e88-4e7a-b3d6-963615ac0f35.PDF?v=2802016](http://www.ise.ie/debt_documents/Base%20Prospectus_93b0cebf-4e88-4e7a-b3d6-963615ac0f35.PDF?v=2802016).

The contents of the Offering Circulars dated 28 November 2002, 5 December 2003, 6 December 2004, 22 November 2005, 29 September 2006, 25 July 2007, 25 July 2008, 27 July 2009, 21 July 2010, 2 August 2011, 29 June 2012, 8 July 2013 and 30 March 2015, except to the extent expressly set out above, are not relevant to the investor.

Following the publication of this Offering Circular, one or more supplements may be prepared by the Issuers and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplements (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Offering Circular, in a document which is incorporated by reference in this Offering Circular or in any preceding supplement to this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of each of the Issuers.

Any information not specified in the list above but contained in the documents incorporated by reference in this Offering Circular does not form part of this Offering Circular as it is either not relevant for prospective investors in the Notes or is covered elsewhere in this Offering Circular.

HIIP and Haitong Bank will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes,

arising or being noted between the approval of this Offering Circular by the Central Bank and the commencement of trading of such Notes on any European Economic Area ("**EEA**") state stock exchange or the final closing of the offer of such Notes to the public in any EEA State, as the case may be, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

### 1. Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will be initially issued in the form of a Temporary Global Note or, if so specified in the Applicable Transaction Terms, a Permanent Global Note, which in either case will:

- (i) if the Global Notes are intended to be issued in NGN form, as stated in the Applicable Transaction Terms, be delivered on or prior to the original issue date of the Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg; or
- (ii) if the Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to the Common Depository for Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that (i) certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or (ii) Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein for either (i) interests in a Permanent Global Note without receipts, interest coupons or talons or (ii) Definitive Notes with, where applicable, receipts, interest coupons and talons attached (as indicated in the Applicable Transaction Terms and subject, in the case of Definitive Notes, to such notice period as specified in the Applicable Transaction Terms) in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive Definitive Notes. The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless upon due certification exchange of the Temporary Global Note is improperly withheld or refused. Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*" below) the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least 40 days (as notified by the Agent to the Relevant Dealer or, in the case of a syndicated issue, the lead manager) after the completion of the distribution of the Notes of such Tranche.

Payments of principal and interest (if any) or any other amount on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note, if the Permanent Global Note is not intended to be issued in the NGN form) without any requirement for certification. The Applicable Transaction Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Notes with, where applicable, receipts, interest coupons and talons attached upon either (i) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (ii) only upon the occurrence of an Exchange Event as described therein. "**Exchange Event**" means either that (i) an Event of Default has occurred and is continuing, (ii) the Relevant Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system satisfactory to the Trustee is available, or (iii) the Relevant Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 which would not be required were the Notes represented by the Permanent Global Note in definitive form. The Relevant Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Relevant Issuer may also give notice to the

Agent requesting exchange. Any such exchange shall occur on the date specified in such notice being in any event not more than 60 days after the date of receipt of the first relevant notice by the Agent.

Global Notes and Definitive Notes will be issued pursuant to, and in accordance with, the Agency Agreement.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the Applicable Transaction Terms.

The following legend will appear on all Global Notes, Definitive Notes, receipts, interest coupons and talons having a maturity of more than 365 days:

“ANY UNITED STATES PERSON AS DEFINED IN THE INTERNAL REVENUE CODE OF THE UNITED STATES WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

## 2. Interbolsa Notes

Notes held through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Interbolsa**") (each an "**Interbolsa Note**") will be represented in dematerialised book-entry form (*forma escritural*) and will either be registered Notes (*nominativas*) or bearer Notes (*ao portador*), as specified in the Applicable Transaction Terms. Title to Interbolsa Notes will be evidenced by book-entries in accordance with the Portuguese Securities Code and the regulations issued by Comissão do Mercado de Valores Mobiliários (Portuguese Securities Market Commission, the "**CMVM**"), by Interbolsa or otherwise applicable thereto. Each person shown in the book-entry records of a financial institution, which is licensed to act as a financial intermediary and which is entitled to hold control accounts with Interbolsa (each such institution an "**Affiliate Member of Interbolsa**"), as having an interest in the Interbolsa Notes shall be the holder of the principal amount of the Interbolsa Notes recorded.

Title to the Interbolsa Notes is subject to compliance with all rules, restrictions and requirements applicable to the activities of Interbolsa and to Portuguese law.

One or more certificates in relation to the Interbolsa Notes (each, a "**Certificate**") will be delivered by the relevant Affiliate Member of Interbolsa in respect of a registered holding of Interbolsa Notes upon the request by the relevant Noteholder and in accordance with that Affiliate Member of Interbolsa's procedures pursuant to article 78 of the Portuguese Securities Code.

The Interbolsa Notes will be registered in the relevant control issue account of the Relevant Issuer with Interbolsa and will be held in control accounts by each Affiliate Member of Interbolsa on behalf of the Noteholders. Such control accounts will reflect at all times the aggregate number of Interbolsa Notes held in individual securities accounts opened with the Affiliate Members of Interbolsa by Noteholders, which are clients of the Affiliate Members of Interbolsa and include Euroclear and Clearstream, Luxembourg.

The person or entity registered in the relevant individual securities accounts of an Affiliate Member of Interbolsa (the "**Book-Entry Registry**" and each such entry therein, a "**Book Entry**") as the holder of any Interbolsa Note shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein).

The Relevant Issuer and the Paying Agents may (to the fullest extent permitted by applicable law) deem and treat the person or entity registered in the Book-Entry Registry as the holder of any Interbolsa Note and the absolute owner for all purposes. Proof of such registration is made by means of a certificate.

No Noteholder will be able to transfer Interbolsa Notes, or any interest therein, except in accordance with Portuguese law and regulations. Interbolsa Notes may only be transferred in accordance with the applicable procedures established by the Portuguese Securities Code and the regulations issued by the CMVM and Interbolsa.

### 3. Registered Notes

Each Tranche of Registered Notes will be in registered form and will initially be issued in the form of a Global Certificate, which will be delivered on or prior to the original issue date of the Tranche to the Common Depositary for Euroclear and Clearstream, Luxembourg.

Registered Notes shall be represented by registered certificates ("**Registered Certificates**"). Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Registered Notes at the specified office of any of the Transfer Agents (as defined below) or of the Registrar (as defined below).

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the Applicable Transaction Terms.

Upon the initial registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relevant Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Transfers of interests in Global Certificates within Clearstream, Luxembourg or Euroclear will be in accordance with the usual rules and operating procedures of the relevant clearing system. No Noteholder will be able to transfer Registered Notes, or any interest therein, except in accordance with the provisions set out under "*Subscription and Sale – Transfer Restrictions*".

#### ***Global Certificate***

If the Applicable Transaction Terms state that any Registered Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Registered Notes held in Euroclear or Clearstream, Luxembourg. These provisions will not, subject to applicable law and transfer restrictions, prevent the trading of interests in the Registered Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Registered Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of such Notes represented by any Global Certificate pursuant to Condition 2(a) may only be made:

- (i) if such Notes are held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any such Notes is not paid when due; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (i), (ii) or (iii) above, the holder of the Registered Note has given the Registrar not less than 30 days' notice at its specified office of the holder of the Registered Note's intention to effect such transfer.

## FORM OF FINAL TERMS – BELOW €100,000 DENOMINATION

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than €100,000 (or its equivalent in another currency).*

[Date]

[HAITONG INVESTMENT IRELAND p.l.c./ HAITONG BANK, S.A.]

[acting through its Head Office/London branch]

[Title of relevant Series of Notes (specifying type of Notes)]

**issued pursuant to the €2,500,000,000 Euro Medium Term Note Programme [with the benefit of a Keep Well Agreement]  
provided by**

**HAITONG BANK, S.A.]**

[The Offering Circular 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 Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer, the Dealer or any Relevant 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 10 of Part B below, provided such person is one of the persons mentioned in Paragraph 10 of Part B below and that such offer is made during the Offer Period specified for such purpose therein.

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

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.<sup>1</sup>

[The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer, the Dealer or any Relevant 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 the Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.<sup>2</sup>

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<sup>1</sup> Consider including this legend where a non-exempt offer of Notes is anticipated.

<sup>2</sup> Consider including this legend where only an exempt offer of Notes is anticipated.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions set forth in the Offering Circular dated 21 June 2016 (including any supplement thereto, the "**Offering Circular**") which constitutes a base prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") as amended (which includes, *inter alia*, the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**")). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular [as so supplemented]. Full information on the Relevant Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular [as so supplemented]. The Offering Circular [and the supplement(s) to the Offering Circular] [is/are] available for viewing at [on] [the website of the Irish Stock Exchange [www.ise.ie](http://www.ise.ie)] [and] during normal business hours at [address] [and copies may be obtained from [address]]. A summary of the individual issue is annexed to these Final Terms.

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

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the Offering Circular dated [28 November 2002/5 December 2003/6 December 2004/22 November 2005/29 September 2006/25 July 2007/25 July 2008/27 July 2009/21 July 2010/2 August 2011/29 June 2012/8 July 2013/30 March 2015] and which are incorporated by reference in the Offering Circular dated 21 June 2016 [(as supplemented)]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") as amended (which includes, *inter alia*, the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**")) and must be read in conjunction with the Offering Circular dated 21 June 2016 [(as supplemented,)] which constitutes a base prospectus for the purposes of the Prospectus Directive, including the Conditions which are extracted from the Offering Circular dated [28 November 2002/5 December 2003/6 December 2004/22 November 2005/29 September 2006/25 July 2007/25 July 2008/27 July 2009/21 July 2010/2 August 2011/29 June 2012/8 July 2013/30 March 2015] and incorporated by reference in the Offering Circular dated 21 June 2016 [(as supplemented)]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular dated 21 June 2016 [(as supplemented)]. Copies of such Offering Circulars are available for viewing [at [website]] [and] during normal business hours at [address] [and copies may be obtained from [address]].

*[Include whichever of the following apply or specify items 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 sub-paragraphs, except when a given paragraph or sub-paragraph is marked with an asterisk ("\*"), in which case the remaining sub-paragraphs of such paragraph or sub-paragraph (as applicable) shall be deleted. Italics denote directions for completing the Final Terms.]*

*[When adding any other information consideration should be given as to whether such information constitute significant new factors and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]*

**[For Bearer Notes or Registered Notes (other than Interbolsa Notes) only: Unless otherwise permitted by the current laws and regulations or by the Central Bank, Notes having a term of less than one year must have a minimum denomination of € 125,000 (or its equivalent in any other currency).]**

- |    |  |  |
|----|--|--|
| 1. | Issuer:  | [Haitong Investment Ireland p.l.c. (" <b>HIIP</b> ")/ Haitong Bank, S.A. (" <b>Haitong Bank</b> ") acting through its [head office] [London branch]  |
| 2. | (i) Series Number:                             | [ ]  |
|    | (ii) Tranche Number:                           | [ ]  |
|    | (iii) Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of series] on [[insert date]/the Issue Date/exchange of the |

- Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 56 below [which is expected to occur on or about [insert date]].]
3. Specified Currency or Currencies:  [and  ]
- (i) Dual Currency provisions: [Applicable/Not applicable]
- (ii) Issue Currency:  [Not applicable]
- (iii) Settlement Currency:  [Not applicable]
4. Aggregate Nominal Amount:  ]
- (i) Series:  ]
- (ii) Tranche:  ]
5. (i) Issue Price:  ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]
- (ii) Net Proceeds:  ]
6. (i) Specified Denominations:  ]
- (N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €1,000 minimum denomination is not required.)*
- (N.B. Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)*
- (ii) Calculation Amount:  ]
7. (i) Issue Date: [insert date ]
- (ii) Interest Commencement Date: [[insert date]/Issue Date/Not applicable] *(NB Interest Commencement Date will not be applicable for Zero Coupon Notes)*
8. Maturity Date: [ ] [Interest Payment Date falling on or nearest to  ]
9. Interest Basis: [Fixed Rate [following exercise of the Switch Option] [and] [following satisfaction of the Switch Automatic Condition]] [Floating Rate] [Inflation-Linked] [Binary Inflation Cap] [Binary Inflation Floor] [Binary Inflation Range] [Inflation Range Accrual] [Inflation Cap/Floor] [ZC Inflation Cap Floor] [Inflation Linker] [Zero Coupon] [Contingent Coupon] [Digital Podium Long] [Digital Podium Short] [Strip of Call Spreads] [Series of Digitals] [Capped Floor Float] [Cap Floor Spread] [Range Accrual] [Range Accrual In/Out] [Knockout Range Accrual] [Binary Cap/Floor] [Inverse Floater] [Power Cap/Floor] [Lock-In 1] [Lock-In 2] [Snowball] [Accumulator] [Binary Accumulator] [Contingent Cap/Floor] [Dual Digital Cap - Type 1] [Dual Digital Cap - Type 2] [Dual Digital Floor – Type 1] [Dual Digital Floor – Type 2]

[Double No Touch – Type 1] [Double No Touch – Type 2] [Wedding Cake – Type 1] [Wedding Cake – Type 2] [Step Up Growth] [Twin Win – Type 1] [Twin Win – Type 2] [Buffer Basket] [Hybrid Range Accrual] [Compounding Floater] [Single Reference Entity CLN] [Non-Tranched CLN Interest] [Tranched CLN Interest] [Nth to Default CLN Interest] [Nth and Nth + 1 to Default CLN Interest] [subject to [exercise of the Switch Option] [and] [the Switch Automatic Condition]] (further particulars relating to interest payable (if any) specified below)

10. **Redemption Basis:** Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at the Redemption Amount, which will be determined in accordance with the Redemption Basis[es] specified in paragraph 28.
11. **Put/Call Options:** [Investor Put] [Issuer Call] [(further particulars are specified below)] [Not applicable]
12. **Status of the Notes:** [Senior/Tier 2]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. **Rate Adjustment Note Provisions**

[Applicable/Not applicable]<sup>3</sup>

Interest Basis:	Interest Payment Date[s]:
[ ]	[ ]

14. **Combination of Structures (Interest)**

[Applicable. The applicable Interest Bases are [ ] [, [ ] [and [ ]]/Not applicable]\*

Interest Basis:	Interest Performance Percentage (%):
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

15. **Switch Option**

[Applicable/Not applicable]\*

(i) **Switch Option Date(s):**

[ ] [in each year]

[(further particulars in respect of the Fixed Rate interest are specified below)]

(ii) **"Par" Redemption Basis:**

[Applicable/Not applicable]

16. **Switch Automatic Condition**

[Applicable/Not applicable]\*

[(further particulars in respect of the Fixed Rate interest are specified below)]

(i) **Coupon Condition:**

[Bullish Coupon Condition – Type 1/ Bullish Coupon Condition – Type 2/ Bullish Coupon Condition – Type 3/ Range Coupon Condition – Type 1/ Range

Coupon Condition – Type 2/ Range Coupon Condition – Type 3/ Bearish Coupon Condition – Type 1/ Bearish Coupon Condition – Type 2/ Bearish Coupon Condition – Type 3]

[Basket Value/Reference Asset Value/Nth best performing Reference Asset Value]

- (ii) Initial Valuation Date: [ ]
- (iii) Valuation Date(s): [ ]
- (iv) Coupon Barrier Level(s): [ ] [Not applicable]
- (v) Range(s): [From ([and including/but excluding]) [ ] to ([and including/but excluding]) [ ]] [Not applicable]
- (vi) Basket Rate: [Applicable/Not applicable]
- (vii) Reference Asset Rate: [Applicable/Not applicable]
- (viii) Best of/Nth Best of/Worst of Rate: [Applicable/Not applicable]
- (ix) N: [ ] [Not applicable]
- (x) Strike Level: [ ] [Not applicable]
- (xi) Initial Price:
  - (a) Maximum Initial Price: [Applicable/Not applicable]
  - (b) Minimum Initial Price: [Applicable/Not applicable]
  - (c) Lookback Period: [ ] [Not applicable]
- (xii) Final Price:
  - (a) Maximum Final Price: [Applicable/Not applicable]
  - (b) Minimum Final Price: [Applicable/Not applicable]
  - (c) Lookback Period: [ ] [Not applicable]
- (xiii) "Par" Redemption Basis: [Applicable/Not applicable]

**17. Fixed Rate Note Provisions**

[Applicable/Not applicable/Applicable following exercise of the Switch Option/Applicable with effect from the Automatic Switch Date, if any/Applicable for the purposes of calculating the Interest Rate in respect of the [Inflation-Linked Interest Note Provisions/ Credit-Linked Note Interest Provisions]\*

- (i) Interest Rate: [ ] per cent. per annum  
*[where the Interest Rate differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum
- (ii) Interest Payment Date(s): [[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in

		accordance with the Business Day Convention set out in (vii) below] [Not applicable]
(iii)	Coupon Amount(s) ( <i>Applicable to Interbolsa Notes and to Notes in definitive form</i> ):	[[ ] per Calculation Amount/Not applicable]
(iv)	Broken Amount(s): ( <i>Applicable to Interbolsa Notes and to Notes in definitive form</i> ):	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]] [Not applicable]
(v)	Fixed Day Count Fraction:	[Actual/Actual (ICMA)] [30/360] [unadjusted/adjusted] [Not applicable] ( <i>Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) will not be a suitable day count fraction</i> )
(vi)	Determination Date(s):	[[ ] in each year] [Not applicable] <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration. N.B.: only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(vii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not applicable]
18.	<b>Floating Rate Note Provisions</b>	[Applicable/Not applicable/Applicable for the purposes of calculating [the Interest Rate/X [and Y]] in respect of the [Inflation-Linked Interest Note Provisions/ Credit-Linked Note Interest Provisions/ Index Interest Note Provisions]]*
(i)	Interest Payment Dates:	[[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (iii) below] [Not applicable]
(ii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted] [Not applicable]
(iii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention] [Not applicable]
(iv)	Manner in which the Interest Rate is to be determined:	[ISDA Determination/Screen Rate Determination]
(v)	Party responsible for determining the Interest Rate and calculating the Interest Amount (if not the Agent):	[Haitong Bank, S.A., Rua Alexandre Herculano, 38, 1269-180 Lisbon, Portugal/ <i>specify other if applicable, giving name and address</i> /Not applicable]
(vi)	ISDA Determination:	[Applicable/Not applicable]
	(a) Floating Rate Option:	[ ]
	(b) Designated Maturity:	[ ]

	(c)	Reset Date:	[The first day of the Interest Period/[ ]]
(vii)		Screen Rate Determination:	[Applicable/Not applicable]
	(a)	Offered Quotation:	[Applicable/Not applicable]
	(b)	Arithmetic Mean:	[Applicable/Not applicable]
	(c)	Reference Rate:	[AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR [EURIBOR]
	(d)	Interest Determination Date(s):	[ ] [Not applicable]
	(e)	Relevant Screen Page:	[Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
	(f)	Specified Currency:	[ ]
	(g)	Designated Maturity:	[ ]
(viii)		Margin(s):	[[+/-] [ ] per cent. per annum/Not applicable]
19.		<b>Inflation-Linked Interest Note Provisions</b>	[Applicable: Inflation-Linked/ Binary Inflation Cap/ Binary Inflation Floor/ Binary Inflation Range/ Inflation Range Accrual/ Inflation Cap/Floor/ ZC Inflation Cap Floor/ Inflation Linker] [Not applicable]*
	(i)	Inflation Index:	[ ]
	(ii)	Inflation Index Sponsor:	[ ]
	(iii)	Related Bond	[ ]
	(iv)	Fallback Bond	[ ]
	(v)	Cut-off Date:	[ ]
	(vi)	Interest Rate:	[The Fixed Rate Note Provisions are applicable (further details specified in paragraph 17 above)/The Floating Rate Note Provisions are applicable (further details specified in paragraph 18 above)/Not applicable]
	(vii)	Interest Payment Dates:	[[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (ix) below]
	(viii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [unadjusted/adjusted] [30E/360 (ISDA)]
	(ix)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
	(x)	Strike Level:	[ ] [Not applicable]

- (xi) Coupon:  [Not applicable]  
*[where the Coupon differs between Interest Periods, insert:]*
- | Coupon                   | Interest Period          |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> |
- (xii) Strike Lower:  [Not applicable]  
(xiii) Strike Upper:  [Not applicable]  
(xiv) Gearing:  [Not applicable]  
(xv) Flag:  [Not applicable]  
(xvi) Tenor:  [Not applicable]  
(xvii) X:  [ ]/the floating Interest Rate determined in accordance with paragraph 18 above/Not applicable]  
(xviii) Valuation Date(s):  [Not applicable]
20. **Zero Coupon Note Provisions**  [Applicable/Not applicable]\*
- (i) Accrual Yield:  per cent. per annum  
(ii) Reference Price:  [per cent. of the Calculation Amount]  
(iii) Redemption Amount:  [ ] per Calculation Amount/Not applicable]
21. **Index Interest Note Provisions**  [Applicable: Contingent Coupon/ Digital Podium Long/ Digital Podium Short/ Strip of Call Spreads/ Series of Digitals/ Capped Floor Float/ Cap Floor Spread/ Range Accrual/ Range Accrual In/Out/ Knockout Range Accrual/ Binary Cap/Floor/ Inverse Floater/ Power Cap/Floor/ Lock-In 1/ Lock-In 2/ Snowball/ Accumulator/ Binary Accumulator/ Contingent Cap/Floor/ Dual Digital Cap – Type 1/ Dual Digital Floor Type 1/ Double No Touch – Type 1/ Double No Touch – Type 2/ Wedding Cake – Type 1/ Wedding Cake – Type 2/ Step Up Growth/ Twin Win – Type 1/ Twin Win – Type 2/ Buffer Basket / Hybrid Range Accrual] [Not applicable]\*
- (i) Reference Asset(s) (Interest):  [ ]  
*[where ‘Combination of Structures (Interest)’ is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (ii) Interest Payment Dates:  [ ],  [ ],  [ ], and  [ ] [in each year] [commencing on  [ ] to and including  [ ] [subject to adjustment in accordance with the Business Day Convention set out in (iv) below]  
*[where ‘Combination of Structures (Interest)’ is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (iii) Day Count Fraction:  [Actual/Actual (ISDA)]  [Actual/Actual]  [Actual/365 (Fixed)]  [Actual/365 (Sterling)]  [Actual/360]  [30/360]

- [360/360] [Bond Basis] [30E/360] [Eurobond Basis]  
[unadjusted/adjusted] [30E/360 (ISDA)]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (v) Reference Rate: [AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR [EURIBOR] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (a) Offered Quotation: [Applicable/Not applicable]
- (b) Arithmetic Mean: [Applicable/Not applicable]
- (c) Interest Determination Date(s): [ ] [Not applicable]
- (d) Relevant Screen Page: [Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
- (e) Specified Currency: [ ]
- (f) Designated Maturity: [ ]
- (vi) Valuation Date(s): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (vii) Initial Valuation Date(s): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (viii) Valuation Time: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (ix) Observation Date(s): [ ] [Not applicable]

*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (x) Initial Price: [Applicable/Not applicable]\*
- (a) Initial Valuation Date(s):  [the day falling  Business Days prior to the first day of each Interest Period] [Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Maximum Initial Price: [Applicable/Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Minimum Initial Price: [Applicable/Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Lookback Period:  [Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xi) Final Price: [Applicable/Not applicable]\*
- (a) Valuation Date:
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Maximum Final Price: [Applicable/Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Minimum Final Price: [Applicable/Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Lookback Period:  [Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xii) Strike Level:  [Not applicable]
- [where 'Combination of Structures (Interest)' is*

*specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xiii) Barrier Level:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xiv) N:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xv) Z:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xvi) Coupon:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(xvii) Coupon 2:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

*[where Coupon 2 differs between Interest Periods, insert:]*

Interest Period	Coupon 2
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(xviii) Minimum Basket Return:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xix) Basket Participation: [As specified in paragraph 27 below] [Not applicable]

(xx) Reference Rate 2: [AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR [EURIBOR] [Not applicable]\*  
*[where 'Combination of Structures (Interest)' is*

*specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (a) Offered Quotation: [Applicable/Not applicable]
- (b) Arithmetic Mean: [Applicable/Not applicable]
- (c) Interest Determination Date(s): [ ] [Not applicable]
- (d) Relevant Screen Page: [Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
- (e) Specified Currency: [ ]
- (f) Designated Maturity: [ ]
- (xxi) Cap Strike: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxii) Spread: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxiii) Floor Strike: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxiv) Cap Value: [1/ minus 1/zero/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxv) Floor Value: [1/ minus 1/zero/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxvi) Leverage (Cap): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxvii) Leverage (Floor): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is*

*specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (xxviii) Cap Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxix) Cap Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxx) Floor Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxx1) Floor Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxii) k:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxiii) K:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxiv) W:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxv) X:  [ ]/the floating Interest Rate determined in accordance with paragraph 18 above/Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxvi) Y:  [ ]/the floating Interest Rate determined in accordance with paragraph 18 above/Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (xxxvii) Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxviii) Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxix) Gearing  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xl) Power Factor:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xli) Fixed Rate:  [ ] per cent./Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlii) Floor:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xliii) Initial Coupon:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xliv) Strike 2:  [ ] per cent./Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xliv) Range: [From ([and including/but excluding]  ) to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlvi) Range 1: [From ([and including/but excluding]  ) to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlvii) Range 2: [From ([and including/but excluding] [ ] to [and including/but excluding] [ ]) [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlviii) Basket Return Barrier 1: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlix) Basket Return Barrier 2: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (l) Basket Return Range: [From ([and including/but excluding] [ ] to [and including/but excluding] [ ]) [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (li) Coupon (Rebate): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (lii) Participation Ratio: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (liii) Participation Ratio 2: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (liv) Additional Provisions where the Interest Basis is "Contingent Coupon": [Applicable/Not applicable]\*  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (a) Coupon Condition: [Bullish Coupon Condition – Type 1/ Bullish Coupon Condition – Type 2/ Bullish Coupon Condition – Type 3/ Range Coupon Condition – Type 1/ Range Coupon Condition – Type 2/ Range Coupon Condition – Type 3/ Bearish Coupon Condition – Type 1/ Bearish Coupon Condition – Type 2/ Bearish Coupon Condition – Type 3]

		[Basket Value/Reference Asset Value/Nth best performing Reference Asset Value] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(b)	Determination of Interest Amount:	[Flat Coupon/ Memory Coupon/ Plus Flat Coupon/ Plus Memory Coupon/ Adjusted Memory Coupon / Twin Win Coupon] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(c)	Coupon Barrier Level(s):	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(d)	Range(s):	[From ([and including/but excluding] [ ] to [and including/but excluding] [ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(e)	Basket Rate:	[Applicable/Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(f)	Reference Asset Rate:	[Applicable/Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(g)	Best of/Nth Best of/Worst of Rate:	[Applicable/Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(h)	N:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(i)	Twin Win Coupon: Basket Floor:	[Applicable/Not applicable]
-	Minimum Basket Return:	[ ]
22.	<b>Compounding Floater Note Provisions</b>	[Applicable/Not applicable]*
(i)	Reference Rate:	[AUD/CAD/CHF/DKK/EUR/GBP/JPY/NZD/SEK/

		USD] LIBOR] [EURIBOR]
	(a) Offered Quotation:	[Applicable/Not applicable]
	(b) Arithmetic Mean:	[Applicable/Not applicable]
	(c) Interest Determination Date(s):	[ ] [Not applicable]
	(d) Relevant Screen Page:	[Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
	(e) Specified Currency:	[ ]
	(f) Designated Maturity:	[ ]
(ii)	Valuation Time:	[ ] [Not applicable]
(iii)	Valuation Date(s):	[ ] [the second business day prior to the first day of each Interest Period] [Not applicable]
(iv)	Maximum Interest Rate:	[ ]
(v)	Floor:	[ ]
(vi)	Gearing:	[ ]
(vii)	Spread:	[ ]
(viii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted]
(ix)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
23.	<b>Credit-Linked Note Interest Provisions</b>	[Applicable: Single Reference Entity CLN/ Non-Tranched CLN Interest/ Tranched CLN Interest/ Nth to Default CLN Interest/ Nth and Nth + 1 to Default CLN Interest] [Not applicable]*
(i)	Interest Rate:	[The Fixed Rate Note Provisions are applicable (further details specified in paragraph 17)/The Floating Rate Note Provisions are applicable (further details specified in paragraph 18)]
(ii)	Interest Payment Dates:	[ ], subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
(iii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted]
(iv)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]

- (v) Determination Date Exposure: [Applicable/Not applicable]  
 (vi) Weighted Average Exposure: [Applicable/Not applicable]  
 (vii) Reference Entity(y)(ies) (Interest): [[]]

Reference Entity (Interest)	Credit Events	Basket Participation (Interest)	Reference Obligation
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring ] [Obligation Acceleration] [Governmental Intervention]	[1] [ ] [Not applicable]]	[ ]
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring ] [Obligation Acceleration] [Governmental Intervention]	[ ] [ ] [Not applicable]]	[ ]
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring ] [Obligation Acceleration] [Governmental Intervention]	[ ] [ ] [Not applicable]]	[ ]

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

- (viii) Tranche Attachment Point [ ] [Not applicable]  
 (ix) Tranche Detachment Point: [ ] [Not applicable]  
 (x) Potential Repudiation Moratorium Amount: [ ]  
 (xi) Restructuring Amount: [ ]  
 (xii) Obligation Acceleration Amount: [ ]  
 (xiii) Failure to Pay Amount: [ ]  
 (xiv) Governmental Intervention Requirement: [ ]  
 (xv) Observation Date(s): [ ] [Not applicable] [the day falling [ ] Business Days prior to each Interest Payment Date]  
 (xvi) Observation Start Date: [ ] [Not applicable]  
 (xvii) Fixed Recovery Value: [ ] [Not applicable]

<b>[Fixed Recovery Value]</b>	<b>[Reference Entity]</b>
-------------------------------	---------------------------

	<b>(Interest)]</b>
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

(xviii) Market Recovery Value:

[Applicable/Not applicable]

<b>[Market Recovery Value]</b>	<b>[Reference Entity (Interest)]</b>
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

(xix) N:

[ ] [Not applicable]

24. **FX-Linked Note Interest Provisions**

[Applicable/Not applicable]\*

(i) FX Components (Interest)

[Applicable – [Bullish FX Return – Type 1] [Bullish FX Return – Type 2] [Bearish FX Return – Type 1] [Bearish FX Return – Type 2]] [Not applicable]\*

(ii) FX Rate:

[ ]

(iii) Strike Level:

[ ]

(iv) Initial FX Valuation Date(s):

[ ]

(v) FX Valuation Date(s):

[ ]

25. **Additional Interest Provisions**

(i) Minimum Interest Rate:

[[+/-] [ ] per cent. per annum/Not applicable]

*[where the Minimum Interest Rate differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Minimum Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum

(ii) Maximum Interest Rate:

[[+/-] [ ] per cent. per annum/Not applicable]

*[where the Maximum Interest Rate differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Maximum Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum

(iii) Minimum Interest Amount:

[ ] per Calculation Amount/Not applicable]

*[where the Minimum Interest Amount differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Minimum Interest Amount (per Calculation Amount):]</b>
[ ] to [ ]	[ ]
[ ] to [ ]	[ ]

(iv) Maximum Interest Amount: [ ] per Calculation Amount/Not applicable  
*[where the Maximum Interest Amount differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Maximum Interest Amount (per Calculation Amount):]</b>
[ ] to [ ]	[ ]
[ ] to [ ]	[ ]

(v) Additional Business Centre(s): [ ] [Not applicable]

(vi) Early Redemption Condition: [Applicable/Not applicable]

**PROVISIONS RELATING TO THE REFERENCE ASSETS (INTEREST)**

26. Reference Assets (Interest): [Applicable/Not applicable]\*

<i>No</i>	<i>Reference Asset (Interest)</i>	<i>Relevant Exchange</i>	<i>Stock Exchange and Options or Futures Exchange</i>	<i>Strike Level</i>	<i>Source for past and future performance data</i>	<i>Maximum Performance:</i>
[ ]	[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]	[ ]

27. Basket Participation: [Applicable/Not applicable]

(i) Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(iii) Replacement Cliquet Basket [Applicable/Not applicable]  
Participation:

<i>Reference Asset (Interest)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

(iv) Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(v) Accumulating Rainbow Basket [Applicable/Not applicable]  
Participation:

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (best performing first)</i>	<i>Basket Participation</i>
1	[ ]

2	<input type="checkbox"/>
[3]	<input type="checkbox"/>

(vi) *Strip of Call Spreads:*

[Applicable/Not applicable]			
<i>Reference (Interest)</i>	<i>Asset</i>	<i>Individual (Interest)</i>	<i>Cap</i>
<input type="checkbox"/>		<input type="checkbox"/>	[Not applicable]
<input type="checkbox"/>		<input type="checkbox"/>	[Not applicable]
<input type="checkbox"/>		<input type="checkbox"/>	[Not applicable]

(vii) Rebalancing Date(s):

[Not applicable]

**PROVISIONS RELATING TO REDEMPTION**

28. Redemption Bas[is] [es] for Redemption at Maturity

(i) Reference Asset(s) (Principal): As specified in paragraph 55 below

(ii) Par: [Applicable/Not applicable]

(iii) Basket Bullish: [Applicable/Not applicable]\*

(a) Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return:

(b) Participation Ratio:

(c) Initial Price:

- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]

- Minimum Initial Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]

(d) Final Price:

- Valuation Date(s):  [the day falling  Business Days prior to each Interest Period] [the day falling  Business Days prior to each Interest Payment Date] [Not applicable]

- Maximum Final Price: [Applicable/Not applicable]

- Minimum Final Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]

(e) Valuation Time:  [Not applicable]

(f) Basket Participation: As specified in paragraph 56 below

(iv) Basket Bearish: [Applicable/Not applicable]\*

(a) Basket Floor: [Applicable/Not applicable]

- Minimum Basket

Return:

- (b) Participation Ratio: [ ]
- (c) Initial Price:
  - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below
- (v) Buffer Basket Bullish: [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket [ ] Return:
  - (b) Participation Ratio: [ ]
  - (c) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
    - Maximum Initial [Applicable/Not applicable] Price:
    - Minimum Initial [Applicable/Not applicable] Price:
    - Lookback Period: [ ] [Not applicable]
  - (d) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final [Applicable/Not applicable] Price:
    - Minimum Final [Applicable/Not applicable] Price:

Price:

- Lookback Period:  [Not applicable]

(e) Coupon:

*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(f) Valuation Time:  [Not applicable]

(g) Basket Participation: As specified in paragraph 56 below

(vi) Buffer Basket Bearish: [Applicable/Not applicable]\*

(a) Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return:

(b) Participation Ratio:

(c) Initial Price:

- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]

- Minimum Initial Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]

(d) Final Price:

- Valuation Date(s):  [Not applicable]

- Maximum Final Price: [Applicable/Not applicable]

- Minimum Final Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]

(e) Valuation Time:  [Not applicable]

(f) Coupon:

*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(g) Basket Participation: As specified in paragraph 56 below

- (vii) Bullish One Touch - Type 1: [Applicable/Not applicable]\*
- (a) Maximum Basket Return: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (viii) Bullish One Touch - Type 2: [Applicable/Not applicable]\*
- (a) Maximum Basket Return: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:

- Valuation Date(s):  [Not applicable]
- Maximum Final Price:  [Applicable/Not applicable]
- Minimum Final Price:  [Applicable/Not applicable]
- Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (ix) Bearish One Touch - Type 1:  [Applicable/Not applicable]\*
  - (a) Maximum Basket Return:
  - (b) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (c) Barrier Level:
  - (d) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (e) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (f) Valuation Time:  [Not applicable]
  - (g) Basket Participation: As specified in paragraph 56 below
- (x) Bearish One Touch - Type 2:  [Applicable/Not applicable]\*
  - (a) Maximum Basket Return:
  - (b) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (c) Barrier Level:
  - (d) Initial Price:

- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (xi) Best of/Worst of Bullish One [Applicable/Not applicable]\*  
Touch – Type 1
- (a) N: [ ]
  - (b) Maximum Basket Return: [ ]
  - (c) Barrier Level: [ ]
  - (d) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): of the most recent Interest Period] [Not applicable]
    - Maximum Initial [Applicable/Not applicable] Price:
    - Minimum Initial [Applicable/Not applicable] Price:
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final [Applicable/Not applicable] Price:
    - Minimum Final [Applicable/Not applicable] Price:
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
- (xii) Best of/Worst of Bullish One [Applicable/Not applicable]\*  
Touch – Type 2

- (a) N: [ ]
- (b) Maximum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xiii) Best of/Worst of Bearish One Touch – Type 1 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Maximum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]

- (f) Valuation Time:  [Not applicable]
- (xiv) Best of/Worst of Bearish One Touch – Type 2  [Applicable/Not applicable]\*
- (a) N:
- (b) Maximum Basket Return:
- (c) Barrier Level:
- (d) Initial Price:
- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
  - Maximum Initial Price:  [Applicable/Not applicable]
  - Minimum Initial Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (xv) Performance Long – Type 1  [Applicable/Not applicable]\*
- (a) Basket Floor:  [Applicable/Not applicable]
- Minimum Basket Return:
- (b) Barrier Level:
- (c) Basket Strike Level:
- (d) Participation Ratio:
- (e) Participation Ratio 2:
- (f) Initial Price:
- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
  - Maximum Initial Price:  [Applicable/Not applicable]
  - Minimum Initial Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]

- (g) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (h) Valuation Time:  [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xvi) Performance Long – Type 2  [Applicable/Not applicable]\*
  - (a) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2:
  - (d) Basket Strike Level:
  - (e) Participation Ratio:
  - (f) Participation Ratio 2:
  - (g) Participation Ratio 3:
  - (h) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (j) Valuation Time:  [Not applicable]
  - (k) Bonus Coupon:  [Applicable, ]  [Not applicable]
  - (l) Basket Return:  [Applicable/Not applicable]
  - (m) Basket Participation: As specified in paragraph 56 below

- (xvii) Performance Long – Type 3 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xviii) Performance Short – Type 1 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Coupon: [ ]
- [where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
-----------------	--------

[ ]	[ ]
[ ]	[ ]

- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (h) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Basket Participation: As specified in paragraph 56 below
- (xix) Performance Short – Type 2 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket [ ] Return:
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:

- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xx) Performance Short – Type 3 [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Strike Level: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Participation Ratio 3: [ ]
  - (h) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (i) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]
- (j) Valuation Time:  [Not applicable]
- (k) Bonus Coupon: [Applicable, ] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxi) Best of/Worst of KI Performance Long – Type 1 [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level: 
    - Minimum Basket Return:
  - (c) Participation Ratio:
  - (d) Participation Ratio 2:
  - (e) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (f) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (g) Valuation Time:  [Not applicable]
  - (h) Basket Participation: As specified in paragraph 56 below
- (xxii) Best of/Worst of KI Performance Long – Type 2 [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2: 
    - Minimum Basket Return:
  - (d) Participation Ratio:

- (e) Participation Ratio 2:
- (f) Participation Ratio 3:
- (g) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (h) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (i) Valuation Time:  [Not applicable]
- (j) Bonus Coupon: [Applicable, ] [Not applicable]
- (k) Reference Asset Return: [Applicable/Not applicable]
- (l) Basket Participation: As specified in paragraph 56 below
- (xxiii) Best of/Worst of KI Performance Long – Type 3 [Applicable/Not applicable]\*
- (a) N:
- (b) Barrier Level 1:
- (c) Barrier Level 2:
- Minimum Basket [Return:
- (d) Participation Ratio:
- (e) Participation Ratio 2:
- (f) Participation Ratio 3:
- (g) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:

- Lookback Period:  [Not applicable]
- (h) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (i) Valuation Time:  [Not applicable]
- (j) Bonus Coupon:  [Applicable, ] [Not applicable]
- (k) Reference Asset Return:  [Applicable/Not applicable]
- (l) Basket Participation: As specified in paragraph 56 below
- (xxiv) Best of/Worst of KI and Full Basket Performance Long – Type 1  [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level:
  - (c) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (d) Participation Ratio:
  - (e) Participation Ratio 2:
  - (f) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
- (g) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (h) Valuation Time:  [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below

- (xxv) Best of/Worst of KI and Full Basket Performance Long – Type 2 [Applicable/Not applicable]\*
- (a) N: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Participation Ratio 3: [ ]
  - (h) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (i) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (j) Valuation Time: [ ] [Not applicable]
  - (k) Bonus Coupon: [Applicable/Not applicable]
  - (l) Basket Return: [Applicable/Not applicable]
  - (m) Basket Participation: As specified in paragraph 56 below
- (xxvi) Best of/Worst of KI and Full Basket Performance Long – Type 3 [Applicable/Not applicable]\*
- (a) N: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]

- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): [ ] day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxvii) Best of/Worst of KI and Basket Performance Long – Type 1 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Floor: [Applicable/Not applicable]
- Minimum Basket [ ] Return:
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): [ ] day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:

- Lookback Period:  [Not applicable]
- (g) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (h) Valuation Time:  [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xxviii) Best of/Worst of KI and Basket Performance Long – Type 2  [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2:
  - (d) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (e) Participation Ratio:
  - (f) Participation Ratio 2:
  - (g) Participation Ratio 3:
  - (h) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (j) Valuation Time:  [Not applicable]
  - (k) Bonus Coupon:  [Applicable, ]  [Not applicable]

- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxix) Best of/Worst of KI and Basket Performance Long – Type 3 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxx) Locked Basket: [Applicable/Not applicable]\*
- (a) N: [ ]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:

- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Replacement Factor: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (xxxix) Individually Capped Basket: [Applicable/Not applicable]\*
- (a) N: [ ]
- Minimum Basket [ ] Return:
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Maximum Performance: [ ] [Not applicable]

- (g) Basket Participation: As specified in paragraph 56 below
- (xxxii) Rainbow Basket: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below
- (xxxiii) Cliquet: [Applicable/Not applicable]\*
- (a) Participation Ratio: [ ]
- (b) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (c) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]
- (d) Valuation Time:  [Not applicable]
- (e) Initial Coupon:  [Not applicable]
- (f) Lock-in Level:  [Not applicable]
- (g) Global Floor:  [Not applicable]
- (h) Global Cap:  [Not applicable]
- (i) Local Floor:  [Not applicable]
- (j) Local Cap:  [Not applicable]
- (k) Basket Participation: As specified in paragraph 56 below
- (xxxiv) Reverse Cliquet: [Applicable/Not applicable]\*
  - (a) N:
  - (b) Participation Ratio:
  - (c) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (d) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (e) Valuation Time:  [Not applicable]
  - (f) Initial Coupon:  [Not applicable]
  - (g) Lock-in Level:  [Not applicable]
  - (h) Global Floor:  [Not applicable]
  - (i) Global Cap:  [Not applicable]
  - (j) Local Floor:  [Not applicable]
  - (k) Local Cap:  [Not applicable]
  - (l) Basket Participation: As specified in paragraph 56 below
- (xxxv) Replacement Cliquet: [Applicable/Not applicable]\*
  - (a) N:

- (b) Fixed Period Basket [ ]  
Return:
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Initial Coupon: [ ] [Not applicable]
- (h) Lock-in Level: [ ] [Not applicable]
- (j) Global Floor: [ ] [Not applicable]
- (j) Global Cap: [ ] [Not applicable]
- (k) Local Floor: [ ] [Not applicable]
- (l) Local Cap: [ ] [Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxxvi) Reverse Convertible Structure [Applicable/Not applicable]\*  
Long – Type 1:
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket [ ] Return:
- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable]

- Price:
- Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xxxvii) KI Reverse Convertible Structure Long– Type 2: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]

- (i) Basket Participation: As specified in paragraph 56 below
- (xxxviii) Reverse Convertible Structure [Applicable/Not applicable]\*  
Short – Type 1:
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (g) Valuation Time: [ ] [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (xxxix) KI Reverse Convertible Structure [Applicable/Not applicable]\*  
Short – Type 2:
- (a) Barrier Level 1: [ ]
- (b) Barrier Level 2: [ ]
- (c) Basket Strike Level: [ ]
- (d) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (e) Participation Ratio: [ ]
- (f) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (g) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xl) Best of/Worst of Reverse Convertible Structure Long – Type 1: [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
- (xli) KI Best of/Worst of Reverse Convertible Structure Long – Type 2: [Applicable/Not applicable]\*
  - (a) N: [ ]

- (b) Barrier Level 1:
- (c) Barrier Level 2:
- (d) Participation Ratio:
- (e) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s):  day of the most recent Interest Period] [Not applicable]
  - Maximum Initial  [Applicable/Not applicable] Price:
  - Minimum Initial  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (f) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final  [Applicable/Not applicable] Price:
  - Minimum Final  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (g) Valuation Time:  [Not applicable]
- (xlii) Best of/Worst of Reverse [Applicable/Not applicable]\*  
Convertible Structure Short – Type 1:
- (a) N:
- (b) Barrier Level:
- (c) Participation Ratio:
- (d) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s):  day of the most recent Interest Period] [Not applicable]
  - Maximum Initial  [Applicable/Not applicable] Price:
  - Minimum Initial  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final  [Applicable/Not applicable] Price:
  - Minimum Final  [Applicable/Not applicable] Price:

- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xliii) KI Best of/Worst of Reverse Convertible Structure Short – Type 2: [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Participation Ratio: [ ]
  - (e) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (g) Valuation Time: [ ] [Not applicable]
- (xliv) Basket Up and In Long [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]

- (e) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (xlv) Basket Up and Out Long  [Applicable/Not applicable]\*
  - (a) Barrier Level:  [ ]
  - (b) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:  [ ]
  - (c) Participation Ratio:  [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s):  [ ] the day falling  [ ] Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [ ] [Not applicable]
- (e) Final Price:
  - Valuation Date(s):  [ ] [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [ ] [Not applicable]
- (f) Valuation Time:  [ ] [Not applicable]
- (g) Rebate:  [ ] [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (xlvi) Best of/Worst of Up and In Long  [Applicable/Not applicable]\*
  - (a) Basket Return  [Applicable/Not applicable]
  - (b) Nth best performing Reference Asset Return  [Applicable/Not applicable]
  - (c) N:  [ ]

- (d) Barrier Level: [ ]
- (e) Basket Floor: [Applicable/Not applicable]
  - Minimum Basket Return: [ ]
- (f) Participation Ratio: [ ]
- (g) Initial Price:
  - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Basket Participation: As specified in paragraph 56 below
- (xlvii) Best of/Worst of Up and Out Long [Applicable/Not applicable]\*
  - (a) Basket Return [Applicable/Not applicable]
  - (b) Nth best performing Reference Asset Return [Applicable/Not applicable]
  - (c) N: [ ]
  - (d) Barrier Level: [ ]
  - (e) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (f) Participation Ratio: [ ]
  - (g) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]
- (h) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (i) Valuation Time:  [Not applicable]
- (j) Rebate:  [Not applicable]
- (k) Basket Participation: As specified in paragraph 56 below
- (xlviii) Worst of Down and Out Basket Long  [Applicable/Not applicable]\*
  - (a) Barrier Level:  [ ]
  - (b) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:  [ ]
  - (c) Participation Ratio:  [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s):  [ ] the day falling  [ ] Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [ ] [Not applicable]
- (e) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [ ] [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Rebate:  [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (xlix) Down and Out Basket Long  [Applicable/Not applicable]\*
  - (a) Barrier Level:  [ ]

- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Rebate: [ ] [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (l) Best of/Worst of Call Option [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]

- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (li) Outperformance Option: [Applicable/Not applicable]\*
- (a) Participation Ratio: [ ]
- (b) Initial Price:
  - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (c) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Valuation Time: [ ] [Not applicable]
- (e) Maximum Payout: [ ] [Not applicable]
- (f) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (g) Long Basket:
  - Basket Floor: [Applicable/Not applicable]
  - Minimum Basket Return: [ ]
  - Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ] [Not applicable]
[ ]	[ ] [Not applicable]
[ ]	[ ] [Not applicable]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]

2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

(h) Short Basket:

- Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

- (lii) Series of Digitals: [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Valuation Date: [ ]
- (liii) Delta 1: [Applicable/Not applicable]\*
  - (a) Scheduled Maturity Date: [ ]
  - (b) Fee Amount: [ ]
  - (c) Back Stop Date: [ ]
- (liv) Bearish One Touch Structure 2 – Type 1: [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (c) Participation Ratio: [ ]

- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Coupon: [ ]

Coupon	Interest Period
[ ]	[ ]
[ ]	[ ]

(lv) Bearish One Touch Structure 2 – [Applicable/Not applicable]\*  
Type 2:

- (a) Barrier Level: [ ]
- Basket Floor: [Applicable/Not applicable]
- (b) Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:

- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Strike Level: [ ]
- (h) Coupon: [ ]

Coupon	Interest Period
[ ]	[ ]
[ ]	[ ]

(lvi) Non-Tranched CLN: [Applicable/Not applicable]\*

Reference Entity	Credit Events	Basket Participation	Reference Obligation
(a) Reference (Principal) Entit(y)(ies)	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[1] [ ]	[ ]
	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]	[ ]
	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]	[ ]

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

- (b) Accelerated Payment: CLN [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount: [ ]
- (d) Restructuring Amount: [ ]
- (e) Obligation Acceleration Amount: [ ]

- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) Portfolio Exposure: [ ]
- (i) Target Redemption Amount: [ ]
- (j) Observation Start Date: [ ]
- (k) Observation End Date: [ ]
- (l) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (m) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (n) Back Stop Date: [ ]

- (lvii) Tranching CLN: [Applicable/Not applicable]\*

- (a) Reference Entity (Principal) Entit(y)(ies)

Reference Entity (Principal)	Credit Events	Basket Participation	Reference Obligation
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[1] [ ]	[ ]
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]	[ ]
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]	[ ]

[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is

*only for east European and central Asian Sovereigns*

- (b) Accelerated Payment: CLN [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount: [ ]
- (d) Restructuring Amount: [ ]
- (e) Obligation Acceleration Amount: [ ]
- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) Portfolio Exposure: [ ]
- (i) Target Redemption Amount: [ ]
- (j) Tranche Attachment Point: [ ]
- (k) Tranche Detachment Point: [ ]
- (l) Observation Start Date: [ ]
- (m) Observation End Date: [ ]
- (n) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (o) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (p) Back Stop Date: [ ]

(lviii) Nth to Default CLN: [Applicable/Not applicable]\*

Reference Entity (Principal)	Entities	Reference Entity	Credit Events	Reference Obligation
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]

<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

- (b) Accelerated CLN Payment:  [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount:
- (d) Restructuring Amount:
- (e) Obligation Acceleration Amount:
- (f) Failure to Pay Amount:
- (g) Governmental Intervention Requirement:
- (h) N:
- (i) Portfolio Exposure:
- (j) Target Redemption Amount:
- (k) Observation Start Date:
- (l) Observation End Date:
- (m) Fixed Recovery Value:  [Not applicable]

<b>[Fixed Recovery Value]</b>	<b>[Reference Entity (Principal)]</b>
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>

- (n) Market Recovery Value:  [Applicable/Not applicable]

<b>[Market Recovery Value]</b>	<b>[Reference Entity (Principal)]</b>
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>

(o) Back Stop Date:

(lix) Nth and Nth + 1 to Default CLN:  [Applicable/Not applicable]\*

(a) Reference (Principal)	Entities	Reference Entity	Credit Events	Reference Obligation
		<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>
		<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>
		<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

(b) Accelerated Payment: CLN  [Applicable/Not applicable]

(c) Potential Repudiation Moratorium Amount:

(d) Restructuring Amount:

(e) Obligation Acceleration Amount:

(f) Failure to Pay Amount:

(g) Governmental Intervention Requirement:

(h) N:

(i) Portfolio Exposure:

(j) Target Redemption Amount:

(k) Observation Start Date:

(l) Observation End Date:

(m) Fixed Recovery Value:  [Not applicable]

[Fixed Recovery Value]	[Reference (Principal)]	Entity
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>	
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>	

(n) Market Recovery Value:  [Applicable/Not applicable]

[Market Recovery Value]	[Reference (Principal)]	Entity
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>	
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>	

(o) Back Stop Date:

(lx) Physically Settled CLN:  [Applicable/Not applicable]\*

(a) Reference Entity:

(b) Credit Events:  [Failure to Pay]  [Bankruptcy]  [Repudiation/moratorium]  [Restructuring]  [Obligation Acceleration]  [Governmental Intervention]

(c) Reference Obligation:

(d) Potential Repudiation Moratorium Amount:

(e) Restructuring Amount:

(f) Obligation Acceleration Amount:

(g) Failure to Pay Amount:

(h) Governmental Intervention Requirement:

(i) Observation Start Date:

(j) Observation End Date:

29. **Applicable Redemption Basis modifier(s) :**

(i) Maximum Redemption Amount:  [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)], the Maximum Redemption Percentage is [ ] per cent.]*  [Not applicable]

(ii) Minimum Redemption Amount:  [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)], the Minimum Redemption Percentage is [ ] per cent.]*  [Not applicable]

(iii) Inflation-Protected Principal:  [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)]]*  [Not applicable]\*

(a) Inflation Index:

(b) Inflation Index Sponsor:

- (c) Related Bond [ ]
- (d) Fallback Bond [ ]
- (e) Initial Valuation Date: [ ]
- (f) Valuation Date: [ ]
- (g) Cut-off Date [ ] [N.B. 5 Business Days should be default]
- (iv) FX Components (Redemption) [Applicable – [Bullish FX Return – Type 1] [Bullish FX Return – Type 2] [Bearish FX Return – Type 1] [Bearish FX Return – Type 2]] [Not applicable] [where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]] [Not applicable]\*
- (a) FX Rate: [ ]
- (b) Strike Level: [ ]
- (c) Initial FX Valuation Date: [ ]
- (d) FX Valuation Date(s): [ ]
- (v) Best of/Worst of Modifier: [Applicable [where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]] [Not applicable]\*
- N: [ ]
- (vi) Outperformance Modifier: [Applicable [where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]] [Not applicable]\*
- (a) Long Basket:
- Basket Floor: [Applicable/Not applicable]
  - Minimum Basket Return: [ ]
  - Fixed Basket Participation: [Applicable/Not applicable]
- | <i>Reference Asset (Principal)</i> | <i>Basket Participation</i> |
|------------------------------------|-----------------------------|
| [ ]                                | [ ]                         |
| [ ]                                | [ ]                         |
| [ ]                                | [ ]                         |
- Rainbow Basket Participation: [Applicable/Not applicable]
- | <i>Reference Asset (Principal)</i> |
|------------------------------------|
| [ ]                                |
| [ ]                                |
| [ ]                                |
- | <i>Ranking of Reference Asset Return of Reference Asset</i> | <i>Basket Participation</i> |
|---|-----------------------------|
|   |                             |

<i>(Principal)</i>	
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]

2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

(b) Short Basket:

- Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket [Applicable/Not applicable]

Participation:

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

30. **Combination of structures (Redemption):** [Applicable. The applicable Redemption Bases are [ ] and [ ]] [Not applicable]

<b>Redemption Basis:</b>	<b>Redemption Performance Percentage (%):</b>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

31. **Provisions relating to Fund-Linked Notes:** [Applicable/Not applicable]\*

(i) Fund: [ ] [Not applicable]

(ii) Fund Manager: [ ] [Not applicable]

(iii) Back Stop Date: [ ] [Not applicable]

32. **Partly Paid Note Provisions** [Applicable/Not applicable]\*

(i) Part Payment Amount(s): [ ]

(ii) Part Payment Date(s): [ ]

33. **Instalment Redemption** [Applicable/Not applicable]\*

<i>Instalment Date</i>	<i>Instalment Amount</i>
[ ]	[[ ] per Calculation Amount]
[ ]	[[ ] per Calculation Amount]

34. **Issuer Call** [Applicable ([in whole/in part])/Not applicable]\*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note: [[ ] per/[ ] per cent. of the] Calculation Amount
- (iii) If redeemable in part:
  - (a) Minimum Optional Redemption Amount: [[ ] per Calculation Amount/Not applicable]
  - (b) Higher Optional Redemption Amount: [[ ] per Calculation Amount/Not applicable]
- (iv) Optional Redemption Amount (Regulatory Event): [ ] per Calculation Amount
- (v) Notice periods for Issuer Call:
  - (a) Minimum number of days' notice: [ ] days
  - (b) Maximum number of days' notice: [ ] days

*[N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and the Principal Paying Agent/Registrar]*

35. **Investor Put** [Applicable ([in whole/in part])/Not applicable]\*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note: [[ ] per/[ ] per cent. of the] Calculation Amount
- (iii) Notice periods for Investor Put:
  - (a) Minimum number of days' notice: [ ] days
  - (b) Maximum number of days' notice: [ ] days

*[N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and the Principal Paying Agent/Registrar]*

36. Early Redemption of Notes with Autocall Redemption Basis: [Applicable/Not applicable]\*
- (i) Bullish Autocall Condition –Type 1 [Applicable/Not applicable]
    - Valuation Time: [ ] [each Valuation Date]
  - (ii) Bullish Autocall Condition –Type 2 [Applicable/Not applicable]
  - (iii) Bullish Autocall Condition –Type 3 [Applicable/Not applicable]
  - (iv) Range Autocall Condition –Type 1 [Applicable/Not applicable]
    - Valuation Time: [ ] [each Valuation Date]
  - (v) Range Autocall Condition –Type 2 [Applicable/Not applicable]
  - (vi) Range Autocall Condition –Type 3 [Applicable/Not applicable]
  - (vii) Bearish Autocall Condition –Type 1 [Applicable/Not applicable]
    - Valuation Time: [ ] [each Valuation Date]
  - (viii) Bearish Autocall Condition –Type 2 [Applicable/Not applicable]
  - (ix) Bearish Autocall Condition –Type 3 [Applicable/Not applicable]
  - (x) Autocall Type: [Basket/Reference Asset/[Nth] best performing Reference Asset]
  - (xi) Autocall Barrier Level(s): [ ] [and [ ]]
  - (xii) Autocall Range(s): [ ]
  - (xiii) Autocall Valuation Date(s): [ ] [each Valuation Date]
  - (xiv) Valuation Period: [ ]
  - (xv) Valuation Time: [ ]
37. Target Redemption Condition: [Applicable/Not applicable]\*
- (i) Target Payment Amount: [ ] per Calculation Amount
  - (ii) Final Interest Payment Type: [Type One] [Type Two]
38. Deduction of Unwind Amount on Early Redemption: [Applicable/Not applicable]

**PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY EVENTS.**

39. Market Disruption - General: [Applicable/Not applicable]\*
- Exchange Business Day Convention: [ ]
40. Market Disruption Commodity: [Applicable/Not applicable]\*
- Exchange Business Day Convention: [ ]
41. Disruption Currency: [Applicable/Not applicable]
42. Calculation Adjustment: [Applicable/Not applicable]
43. Corrections: [Applicable/Not applicable]

44.	Correction Commodity:	[Applicable/Not applicable]
45.	Correction Currency:	[Applicable/Not applicable]
46.	Extraordinary Events - General:	[Applicable/Not applicable]
47.	Relevant Exchange:	[As specified for each Reference Asset in paragraphs 26 and 54] Not applicable]]
48.	Options and Futures Exchange:	[As specified for each Reference Asset in paragraphs 26 and 54] Not applicable]]
49.	Scheduled Trading Day:	[ ] [Not applicable]]
50.	Additional Disruption Events:	[Applicable/Not Applicable]
	(i) Change In Law:	[Applicable/Not applicable]
	(ii) Hedging Disruption:	[Applicable/Not applicable]
	(iii) Increased Costs of Hedging:	[Applicable/Not applicable]
51.	Additional Conditions for Fund-Linked Notes:	[Applicable/Not applicable]
52.	Additional Conditions for Inflation-Linked Notes - Additional Disruption Events:	[Applicable/Not applicable]*
	(i) Change In Law:	[Applicable/Not applicable]
	(ii) Hedging Disruption:	[Applicable/Not applicable]
	(iii) Increased Costs of Hedging:	[Applicable/Not applicable]
53.	Additional Conditions for Equity-Linked Notes	[Applicable/Not applicable]*
	(i) Depository Receipt provisions:	[Applicable/Not applicable]
	(a) Details of Depository Receipt:	[Specify name and ISIN Code]
	(b) Reference Asset:	[ ]
	(c) Reference Entity:	[ ]
	(d) Share Exchange:	[ ]
	(ii) Exchange Business Day:	[Exchange Business Day (Single Reference Asset Basis)/Exchange Business Day (All Reference Assets Basis)/Exchange Business Day (Per Reference Asset Basis)/Exchange Business Day (Combination Structures Basis)]
	(iii) Scheduled Trading Day:	[Scheduled Trading Day (Single Reference Asset Basis)/Scheduled Trading Day (All Reference Assets Basis)/Scheduled Trading Day (Per Reference Asset Basis)/Scheduled Trading Day (Combination Structures Basis)]
	(iv) Dividend Amount:	[Record Amount/Ex Amount/Paid Amount]
	(v) Dividend Payment Date:	[ ] [As per the Additional Conditions for Equity-Linked Notes]
	(vi) Dividend Period:	[First Period/Second Period]
	(vii) Excess Dividend Amount:	[Extraordinary Dividend Amount/Extraordinary Dividend Record Ex]

		Amount/Extraordinary Dividend Paid Amount]
(viii)	Extraordinary Dividend:	[ ]
(ix)	Initial Stock Loan Rate:	[ ]
(x)	Maximum Stock Loan Rate	[ ]
(xi)	Specified Maximum Days of Disruption:	[ ] Scheduled Trading Days <i>[N.B. 8 days is default]</i>
(xii)	Settlement Price:	[Initial Price/Closing Price] [Start Price] [Final Price]
(xiii)	Extraordinary Events:	
	(a) Tender Offer:	[Applicable/Not applicable]
	(b) Reference Asset Substitution:	[Applicable/Not applicable]
	(c) De-Merger:	[Applicable/Not applicable]
	(d) Participation Event:	[Applicable/Not applicable]
	(e) Illiquidity:	[Applicable/Not applicable]
(xiv)	Additional Disruption Events:	
	(a) Analogous Event	[Applicable/Not applicable]
	(b) Change in Law:	[Applicable/Not applicable]
	(c) Currency Event:	[Applicable/Not applicable]
	(d) Failure to Deliver:	[Applicable/Not applicable]
	(e) Hedging Disruption:	[Applicable/Not applicable]
	(f) Increased Costs of Hedging:	[Applicable/Not applicable]
	(g) Force Majeure Event:	[Applicable/Not applicable]
	(h) Increased Cost of Stock Borrow:	[Applicable/Not applicable]
	(i) Insolvency Filing:	[Applicable/Not applicable]
	(j) Jurisdiction Event:	[Applicable/Not applicable]
	(k) Loss of Stock Borrow:	[Applicable/Not applicable]
	(l) Termination (Depository Receipts only):	[Applicable/Not applicable]
	(m) Adjustment Event (Depository Receipts only):	[Applicable/Not applicable]
54.	Additional Conditions for Index-Linked Notes and ETF Notes:	[Applicable/Not applicable]*
	(i) Related Index:	[ ]
	- Index Sponsor:	[ ]
	(ii) Exchange Business Day:	[Exchange Business Day (Single Index Basis)/Exchange Business Day (All Indices Basis)/Exchange Business Day (Per Index

- Basis)/Exchange Business Day (Combination Structures Basis)]
- (iii) Scheduled Trading Day: [Scheduled Trading Day (Single Index Basis)/Scheduled Trading Day (All Indices Basis)/Scheduled Trading Day (Per Index Basis)/Scheduled Trading Day (Combination Structures Basis)]
- (iv) Specified Maximum Days of Disruption: [ ] Scheduled Trading Days [*N.B. 8 days is default*]
- (v) Additional Disruption Events:
- (a) Change In Law: [Applicable/Not applicable]
  - (b) Hedging Disruption: [Applicable/Not applicable]
  - (c) Increased Costs of Hedging: [Applicable/Not applicable]
  - (d) Increased Cost of Stock Borrow: [Applicable/Not applicable]
  - (e) Loss of Stock Borrow: [Applicable/Not applicable]
  - (f) Merger Event: [Applicable/Not applicable]
  - (g) Tender Offer: [Applicable/Not applicable]
  - (h) Nationalisation: [Applicable/Not applicable]
  - (i) Insolvency: [Applicable/Not applicable]
  - (j) De-listing: [Applicable/Not applicable]
  - (k) ETF Event [Applicable/Not applicable]

**PROVISIONS RELATING TO THE REFERENCE ASSETS (PRINCIPAL)**

55. Reference Asset(s) (Principal): [Applicable/Not applicable]\*

<i>Reference Asset (Principal)</i>	<i>Relevant Exchange</i>	<i>Stock Exchange and Options or Futures Exchange</i>	<i>Strike Level</i>	<i>Source for past and future performance data</i>	<i>Maximum Performance:</i>
[ ]	[ ]	[ ] Exchanges]	[All [ ]	[ ]	[ ]
[ ]	[ ]	[ ] Exchanges]	[All [ ]	[ ]	[ ]

56. Basket Participation: [Applicable/Not applicable]

(i) Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
------------------------------------

[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(iii) Replacement Cliquet Basket [Applicable/Not applicable]  
Participation:

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset [ ]  
Return:

(iv) Momentum Basket [Applicable/Not applicable]  
Participation:

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(v) Accumulating Rainbow Basket [Applicable/Not applicable]  
Participation:

---

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(vi) Rebalancing Date(s): [ ] [Not applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

57. Form of Notes:

[Bearer Notes (other than Interbolsa Notes):

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]](N.B. Temporary Global Note required unless TEFRA C applies or TEFRA not applicable)

(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)<sup>4</sup>

[Registered Notes]

[Dematerialised book-entry form (*escriturais*) registered (*nominativas*) Notes (Interbolsa Notes)]

[Dematerialised book-entry form (*escriturais*) bearer (*ao portador*) Notes (Interbolsa Notes)]

[(nominal amount)] registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg].

58. New Global Note:

[Yes] [No]

59. Additional Financial Centre(s) relating to payment dates:

[ ] [Not applicable]

60. Calculation Agent:

[ ] [Not applicable]

<sup>4</sup> Delete if the Notes are being issued in registered form.

61. Talons for future Coupons or Receipts to [Yes/No]  
be attached to Definitive Notes (and dates  
on which such Talons mature):

62. Clearing System: [Euroclear/[ ]Clearstream, Luxembourg/[ ]/[  
]Interbolsa]

#### **[PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue [and admission to trading on the regulated market of the [Irish Stock Exchange] [London Stock Exchange] [NYSE Euronext Lisbon] of the Notes described herein pursuant to the €2,500,000,000 Euro Medium Term Note Programme of [Haitong Investment Ireland p.l.c. and Haitong Bank, S.A. acting through its [head office] [London branch].]

#### **RESPONSIBILITY**

The Issuer [and Haitong Bank, S.A. (in the case where Haitong Investment Ireland p.l.c. is the Issuer)] accepts responsibility for the information contained in these Final Terms. [Relevant third party information] has been extracted from [specify source]. 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 [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By

*Duly authorised*

[Signed on behalf of Haitong Bank:

By

*Duly authorised]*

#### **[KEEP WELL AGREEMENT**

Haitong Bank hereby confirms that the Keep Well Agreement executed on [•] 2016 (as amended and/or supplemented and/or restated from time to time) will apply in relation to the Notes of this Series.

Signed on behalf of Haitong Bank:

By

*Duly authorised]*

## PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING** [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the regulated market of the [Irish Stock Exchange] / [London Stock Exchange] / [NYSE Euronext Lisbon] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the regulated market of the [Irish Stock Exchange] / [London Stock Exchange] / [NYSE Euronext Lisbon] with effect from [ ].] [Not applicable.]
2. **RATINGS** [The Notes to be issued are not rated.]  
[The Notes to be issued [[have been] [are expected to be]] rated [ ] by [Standard & Poor's Credit Market Services Europe Limited] [Moody's Investors Service Ltd.] [Fitch Ratings Limited]].  
*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating)*  
[Standard & Poor's Credit Market Services Europe Limited is established in the EU and registered under Regulation (EC) No 1060/2009.]  
[Moody's Investors Service Ltd. is established in the EU and registered under Regulation (EC) No 1060/2009.]  
[Fitch Ratings Limited is established in the EU and registered under Regulation (EC) No 1060/2009.]
3. **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"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.] *(Amend as appropriate if there are other interests)*  
*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*
4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
  - [(i) Reasons for the offer [ ]
  - [(ii)] Estimated net proceeds: [ ]
  - [(iii)] Estimated total expenses: [ ]
5. [Fixed Rate Notes only – **YIELD**  
Indication of yield: [ ]
6. [Floating Rate Notes only - **HISTORIC INTEREST RATES**  
Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters/Bloomberg].]
7. **INDEX-LINKED OR OTHER VARIABLE-LINKED NOTES ONLY – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**  
In respect of [the/each] Reference Asset, information in respect of the past and future performance thereof

may be obtained from the source specified in paragraphs 26 and 54 of Part A of the Final Terms.

*(Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.<sup>5</sup>)*

**8. POST-ISSUANCE INFORMATION**

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

**9. OPERATIONAL INFORMATION**

ISIN Code: [ ]

Common Code: [ ]

Names and addresses of additional Paying Agent(s) (if any): [ ]

[Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

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

**10. DISTRIBUTION**

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated: [Not applicable]

(a) Names and addresses of Managers and underwriting commitments: [ ]

(b) Date of subscription agreement: [ ]

(c) Stabilising Manager(s) (if any): [Not applicable/[ ]]

(iii) If non-syndicated, name and address [Not applicable]

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<sup>5</sup> Required for derivative Securities to which Annex XII to the prospectus Directive Regulation applies.

of Dealer:

- (a) Name and address of Dealer: [ ]
- (b) Date of subscription agreement: [ ]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Indication of the overall amount of the underwriting commission and of the placing commission: [ ] per cent. of the Aggregate Nominal Amount
- (vi) U.S. Selling Restrictions: [TEFRA C/TEFRA D]
- (vii) Public Offer: [The Issuer does not consent to the use of the Offering Circular in connection with a Public Offer of the Notes by any person.]

[The Issuer consents to the use of the Offering Circular in connection with a Public Offer of the Notes during the period from [specify date] until [specify date] (the "**Offer Period**") in [specify relevant Member State(s) - which must be one or more of Ireland and those jurisdictions where the Offering Circular and any supplements have been passported] ("**Public Offer Jurisdictions**") by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and which satisfies the conditions set out in the Offering Circular [and the additional following conditions: [set out clear and objective conditions].

[The Issuer consents to the use of the Offering Circular in connection with a Public Offer of the Notes during the period from [specify date] until [specify date] (the "**Offer Period**") by [insert names of financial intermediaries (the "**Initial Authorised Offeror(s)**") specified in [specify relevant Member State(s) - which must be jurisdictions where the Offering Circular and any supplements have been passported] ("**Public Offer Jurisdictions**") [and subject to the following conditions: [set out clear and objective conditions], for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC).]

## 11. TERMS AND CONDITIONS

Offer Price: [ ]

General Consent: [Applicable/Not applicable]

Conditions to which the offer is subject: [Not applicable/[ ]]

[The Issuer reserves its rights to cancel the offer under the following circumstances;

- (a) if the aggregate principal amount of Notes subscribed on or before [insert date] is less than [insert amount];
- (b) if the [insert relevant variable] cannot be set at [relevant value corresponding to the indicated

minimum value]; or

- (c) if any event of an economic, financial or political nature occurs and which may jeopardise a successful offer, as determined by the Issuer].

[The Issuer may also replace any Reference Asset listed in the table(s) above at any time on or prior to [insert date] with a comparable type of underlying Reference Asset].

Description of the application process:	[Not applicable/[ ]]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not applicable/[ ]]
Details of the minimum and/or maximum amount of application:	[Not applicable/[ ]]
Details of the method and time limits for paying up and delivering the Notes:	[Not applicable/[ ]]
Manner in and date on which results of the offer are to be made public:	[Not applicable/[ ]]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable/[ ]]
Whether tranche(s) have been reserved for certain countries:	[Not applicable/[ ]]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable/[ ]]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not applicable/[In connection with the issuance of this type of notes, the Issuer incurs costs for, among other things, production, distribution, licences, stock exchange listing and risk management. In order to cover these costs, the Issuer charges brokerage fees and commission. The commission is included in the price and will amount to a maximum of [ ] per cent per year, calculated on the price of the Notes.]]
Name(s) and address(es), to the extent known to the Issuer, of the placer[s] in the [various] country[ies] where the offer takes place:	[Address: [ ]]

#### **ANNEX TO THE FINAL TERMS – SUMMARY OF THE ISSUE**

## FORM OF FINAL TERMS – ABOVE €100,000 DENOMINATION

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least €100,000 (or its equivalent in another currency).*

[Date]

**[HAITONG INVESTMENT IRELAND p.l.c./ HAITONG BANK, S.A.**

**[acting through its Head Office/London branch]**

*[Title of relevant Series of Notes (specifying type of Notes)]*

**issued pursuant to the €2,500,000,000 Euro Medium Term Note Programme [with the benefit of a Keep Well Agreement provided by HAITONG BANK, S.A.]**

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions set forth in the Offering Circular dated 21 June 2016 (including any supplement thereto, the "**Offering Circular**") which constitutes a base prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") as amended (which includes, *inter alia*, the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**")). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular [as so supplemented]. Full information on the Relevant Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular [as so supplemented]. The Offering Circular [and the supplement(s) to the Offering Circular] [is/are] available for viewing at [on] [the website of the Irish Stock Exchange [www.ise.ie](http://www.ise.ie)] [and] during normal business hours at [address] [and copies may be obtained from [address]].

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

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the Offering Circular dated [28 November 2002/ 5 December 2003/ 6 December 2004/ 22 November 2005/ 29 September 2006/ 25 July 2007/ 25 July 2008/ 27 July 2009/ 21 July 2010/ 2 August 2011/ 29 June 2012/ 8 July 2013/ 30 March 2015] and which are incorporated by reference in the Offering Circular dated 21 June 2016 [(as supplemented)]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") as amended (which includes, *inter alia*, the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**")) and must be read in conjunction with the Offering Circular dated 21 June 2016 [(as supplemented)], which constitutes a base prospectus for the purposes of the Prospectus Directive, including the Conditions which are extracted from the Offering Circular dated [28 November 2002/ 5 December 2003/ 6 December 2004/ 22 November 2005/ 29 September 2006/ 25 July 2007/ 25 July 2008/ 27 July 2009/ 21 July 2010/ 2 August 2011/ 29 June 2012/ 8 July 2013/ 30 March 2015] and incorporated by reference in the Offering Circular dated 21 June 2016 [(as supplemented)]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular dated 21 June 2016 [(as supplemented)]. Copies of such Offering Circulars are available for viewing [at [website]] [and] during normal business hours at [address] [and copies may be obtained from [address]].

*[Include whichever of the following apply or specify items 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 sub-paragraphs, except when a given paragraph or sub-paragraph is marked with an asterisk ("\*"), in which case the remaining sub-paragraphs of such paragraph or sub-paragraph (as applicable) shall be deleted. Italics denote directions for completing the Final Terms.]*

*[When adding any other information consideration should be given as to whether such information constitute significant new factors and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]*

**[For Bearer Notes or Registered Notes (other than Interbolsa Notes) only: Unless otherwise permitted by the current laws and regulations or by the Central Bank, Notes having a term of less than one year must have a minimum denomination of € 125,000 (or its equivalent in any other currency).]**

1. Issuer: [Haitong Investment Ireland p.l.c./ Haitong Bank, S.A. (“**Haitong Bank**”) acting through its [head office] [London branch]]
2. (i) Series Number: [ ]  
(ii) Tranche Number: [ ]  
(iii) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of series] on [[insert date]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 56 below [which is expected to occur on or about [insert date]].]
3. Specified Currency or Currencies: [ ] [and [ ]]  
(i) Dual Currency provisions: [Applicable/Not applicable]  
(ii) Issue Currency: [ ] [Not applicable]  
(iii) Settlement Currency: [ ] [Not applicable]
4. Aggregate Nominal Amount: [ ]  
(i) Series: [ ]  
(ii) Tranche: [ ]
5. (i) Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]  
(ii) Net Proceeds: [ ]
6. (i) Specified Denominations: [ ]  

*(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €1,000 minimum denomination is not required.)*

*(N.B. Notes issued after the implementation of the 2010 PD Amending Directive in a Member State must have a minimum denomination of €100,000 (or equivalent) in order to benefit from the wholesale exemption set out in Article 3.2(d) of the Prospectus Directive in that Member State.)*

(ii) Calculation Amount: [ ]
7. (i) Issue Date: [insert date ]  
(ii) Interest Commencement Date: [[insert date]/Issue Date/Not applicable] (NB Interest Commencement Date will not be applicable for Zero Coupon Notes)
8. Maturity Date: [[ ] [Interest Payment Date falling on or nearest to [ ]]

9. Interest Basis: [Fixed Rate [following exercise of the Switch Option] [and] [following satisfaction of the Switch Automatic Condition]] [Floating Rate] [Inflation-Linked] [Binary Inflation Cap] [Binary Inflation Floor] [Binary Inflation Range] [Inflation Range Accrual] [Inflation Cap/Floor] [ZC Inflation Cap Floor] [Inflation Linker] [Zero Coupon] [Contingent Coupon] [Digital Podium Long] [Digital Podium Short] [Strip of Call Spreads] [Series of Digitals] [Capped Floor Float] [Cap Floor Spread] [Range Accrual] [Range Accrual In/Out] [Knockout Range Accrual] [Binary Cap/Floor] [Inverse Floater] [Power Cap/Floor] [Lock-In 1] [Lock-In 2] [Snowball] [Accumulator] [Binary Accumulator] [Contingent Cap/Floor] [Dual Digital Cap – Type 1] [Dual Digital Cap – Type 2] [Dual Digital Floor – Type 1] [Dual Digital Floor – Type 2] [Double No Touch – Type 1] [Double No Touch – Type 2] [Wedding Cake – Type 1] [Wedding Cake – Type 2] [Step Up Growth] [Twin Win – Type 1] [Twin Win – Type 2] [Buffer Basket] [Hybrid Range Accrual] [Compounding Floater] [Single Reference Entity CLN] [Non-Tranched CLN Interest] [Tranched CLN Interest] [Nth to Default CLN Interest] [Nth and Nth + 1 to Default CLN Interest] [subject to [exercise of the Switch Option] [and] [the Switch Automatic Condition]] (further particulars relating to interest payable (if any) specified below)
10. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at the Redemption Amount, which will be determined in accordance with the Redemption Basis[es] specified in paragraph 28.
11. Put/Call Options: [Investor Put] [Issuer Call] [(further particulars are specified below)] [Not applicable]
12. Status of the Notes: [Senior/Tier 2]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. **Rate Adjustment Note Provisions** [Applicable/Not applicable]<sup>6</sup>
- |                 |                           |
|-----------------|---------------------------|
| Interest Basis: | Interest Payment Date[s]: |
| [ ]             | [ ]                       |
14. **Combination of Structures (Interest)** [Applicable. The applicable Interest Bases are [ ] [, [ ] [and [ ]]/Not applicable]\*
- |                 |                                      |
|-----------------|--------------------------------------|
| Interest Basis: | Interest Performance Percentage (%): |
| [ ]             | [ ]                                  |
| [ ]             | [ ]                                  |

<sup>6</sup> If not applicable, delete the remaining sub-paragraphs of this paragraph or sub-paragraph (as applicable)

[ ]	[ ]
-----	-----

15. **Switch Option** [Applicable/Not applicable]\*
- (i) Switch Option Date(s): [ ] [in each year]  
 [(further particulars in respect of the Fixed Rate interest are specified below)]
- (ii) "Par" Redemption Basis: [Applicable/Not applicable]
16. **Switch Automatic Condition** [Applicable/Not applicable]\*  
 [(further particulars in respect of the Fixed Rate interest are specified below)]
- (i) Coupon Condition: [Bullish Coupon Condition – Type 1/ Bullish Coupon Condition – Type 2/ Bullish Coupon Condition – Type 3/ Range Coupon Condition – Type 1/ Range Coupon Condition – Type 2/ Range Coupon Condition – Type 3/ Bearish Coupon Condition – Type 1/ Bearish Coupon Condition – Type 2/ Bearish Coupon Condition – Type 3]  
 [Basket Value/Reference Asset Value/Nth best performing Reference Asset Value]
- (ii) Initial Valuation Date: [ ]
- (iii) Valuation Date(s): [ ]
- (iv) Coupon Barrier Level(s): [ ] [Not applicable]
- (v) Range(s): [From ([and including/but excluding]) [ ] to ([and including/but excluding]) [ ]] [Not applicable]
- (vi) Basket Rate: [Applicable/Not applicable]
- (vii) Reference Asset Rate: [Applicable/Not applicable]
- (viii) Best of/Nth Best of/Worst of Rate: [Applicable/Not applicable]
- (ix) N: [ ] [Not applicable]
- (x) Strike Level: [ ] [Not applicable]
- (xi) Initial Price:  
 (a) Maximum Initial Price: [Applicable/Not applicable]  
 (b) Minimum Initial Price: [Applicable/Not applicable]  
 (c) Lookback Period: [ ] [Not applicable]
- (xii) Final Price:  
 (a) Maximum Final Price: [Applicable/Not applicable]  
 (b) Minimum Final Price: [Applicable/Not applicable]  
 (c) Lookback Period: [ ] [Not applicable]
- (xiii) "Par" Redemption Basis: [Applicable/Not applicable]
17. **Fixed Rate Note Provisions** [Applicable/Not applicable/Applicable following exercise of the Switch Option/Applicable with effect from the Automatic Switch Date, if any/Applicable for the purposes of calculating the Interest Rate in respect of the [Inflation-Linked Interest Note]

		Provisions/ Credit-Linked Note Interest Provisions]*
(i)	Interest Rate:	[ ] per cent. per annum [where the Interest Rate differs between Interest Periods, insert:]  [Interest Period:] [Interest Rate:]  [ ] to [ ] [+/-] [ ] per cent. per annum  [ ] to [ ] [+/-] [ ] per cent. per annum
(ii)	Interest Payment Date(s):	[ [ ], [ ], [ ], and [ ] ] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (vii) below] [Not applicable]
(iii)	Coupon Amount(s) (Applicable to Interbolsa Notes and to Notes in definitive form):	[ [ ] per Calculation Amount/Not applicable]
(iv)	Broken Amount(s): (Applicable to Interbolsa Notes and to Notes in definitive form):	[ [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] ] [Not applicable]
(v)	Fixed Day Count Fraction:	[Actual/Actual (ICMA)] [30/360] [unadjusted/adjusted] [Not applicable] (Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) will not be a suitable day count fraction)
(vi)	Determination Date(s):	[ [ ] in each year] [Not applicable] <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration. N.B.: only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(vii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not applicable]
18.	<b>Floating Rate Note Provisions</b>	[Applicable/Not applicable/Applicable for the purposes of calculating [the Interest Rate/X [and Y]] in respect of the [Inflation-Linked Interest Note Provisions/ Credit-Linked Note Interest Provisions/ Index Interest Note Provisions]]*
(i)	Interest Payment Dates:	[ [ ], [ ], [ ], and [ ] ] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (iii) below] [Not applicable]
(ii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted] [Not applicable]

(iii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention] [Not applicable]
(iv)	Manner in which the Interest Rate is to be determined:	[ISDA Determination/Screen Rate Determination]
(v)	Party responsible for determining the Interest Rate and calculating the Interest Amount (if not the Agent):	[Haitong Bank, S.A., Rua Alexandre Herculano, 38, 1269-180 Lisbon, Portugal/ <i>specify other if applicable, giving name and address</i> /Not applicable]
(vi)	ISDA Determination:	[Applicable/Not applicable]
	(a) Floating Rate Option:	[ ]
	(b) Designated Maturity:	[ ]
	(c) Reset Date:	[The first day of the Interest Period/[ ]]
(vii)	Screen Rate Determination:	[Applicable/Not applicable]
	(a) Offered Quotation:	[Applicable/Not applicable]
	(b) Arithmetic Mean:	[Applicable/Not applicable]
	(c) Reference Rate:	[AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR] [EURIBOR]
	(d) Interest Determination Date(s):	[ ] [Not applicable]
	(e) Relevant Screen Page:	[Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
	(f) Specified Currency:	[ ]
	(g) Designated Maturity:	[ ]
(viii)	Margin(s):	[[+/-] [ ] per cent. per annum/Not applicable]
19.	<b>Inflation-Linked Interest Note Provisions</b>	[Applicable: Inflation-Linked/ Binary Inflation Cap/ Binary Inflation Floor/ Binary Inflation Range/ Inflation Range Accrual/ Inflation Cap/Floor/ ZC Inflation Cap Floor/ Inflation Linker] [Not applicable]*
	(i) Inflation Index:	[ ]
	(ii) Inflation Index Sponsor:	[ ]
	(iii) Related Bond	[ ]
	(iv) Fallback Bond	[ ]
	(v) Cut-off Date:	[ ]
	(vi) Interest Rate:	[The Fixed Rate Note Provisions are applicable (further details specified in paragraph 17 above)/The Floating Rate Note Provisions are applicable (further details specified in paragraph 18 above)/Not

applicable]

- (vii) Interest Payment Dates:     [in each year] [commencing on  to and including  [subject to adjustment in accordance with the Business Day Convention set out in (ix) below]
- (viii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [unadjusted/adjusted] [30E/360 (ISDA)]
- (ix) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (x) Strike Level:  [Not applicable]
- (xi) Coupon:  [Not applicable]

*[where the Coupon differs between Interest Periods, insert:]*

Coupon	Interest Period
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

- (xii) Strike Lower:  [Not applicable]
- (xiii) Strike Upper:  [Not applicable]
- (xiv) Gearing:  [Not applicable]
- (xv) Flag:  [Not applicable]
- (xvi) Tenor:  [Not applicable]
- (xvii) X: [ ]/the floating Interest Rate determined in accordance with paragraph 18 above/Not applicable]
- (xviii) Valuation Date(s):  [Not applicable]

20. **Zero Coupon Note Provisions**

- [Applicable/Not applicable]\*
- (i) Accrual Yield:  per cent. per annum
- (ii) Reference Price:  [per cent. of the Calculation Amount]
- (iii) Redemption Amount: [ ] per Calculation Amount/Not applicable]

21. **Index Interest Note Provisions**

- [Applicable: Contingent Coupon/ Digital Podium Long/ Digital Podium Short/ Strip of Call Spreads/ Series of Digitals/ Capped Floor Float/ Cap Floor Spread/ Range Accrual/ Range Accrual In/Out/ Knockout Range Accrual/ Binary Cap/Floor/ Inverse Floater/ Power Cap/Floor/ Lock-In 1/ Lock-In 2/ Snowball/ Accumulator/ Binary Accumulator/ Contingent Cap/Floor/ Dual Digital Cap – Type 1/ Dual Digital Floor - Type 1/ Double No Touch – Type 1/ Double No Touch – Type 2/ Wedding Cake – Type 1/ Wedding Cake – Type 2/ Step Up Growth/ Twin Win – Type 1/ Twin Win – Type 2/ Buffer Basket / Hybrid Range Accrual] [Not applicable]\*
- (i) Reference Asset(s) (Interest):

- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
- (ii) Interest Payment Dates: [[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
- (iii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [unadjusted/adjusted] [30E/360 (ISDA)]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
- (v) Reference Rate: [AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR] [EURIBOR] [Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
- (a) Offered Quotation: [Applicable/Not applicable]
- (b) Arithmetic Mean: [Applicable/Not applicable]
- (c) Interest Determination Date(s): [ ] [Not applicable]
- (d) Relevant Screen Page: [Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
- (e) Specified Currency: [ ]
- (f) Designated Maturity: [ ]
- (vi) Valuation Date(s): [ ] [Not applicable]
- [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]

- each Interest Basis]*
- (vii) Initial Valuation Date(s):  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (viii) Valuation Time:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (ix) Observation Date(s):  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (x) Initial Price: [Applicable/Not applicable]\*
- (a) Initial Valuation Date(s):  [the day falling  Business Days prior to the first day of each Interest Period] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Maximum Initial Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Minimum Initial Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Lookback Period:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xi) Final Price: [Applicable/Not applicable]\*
- (a) Valuation Date:   
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Maximum Final Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (c) Minimum Final Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Lookback Period: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xii) Strike Level: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xiii) Barrier Level: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xiv) N: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xv) Z: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- 
- (xvi) Coupon: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*  
*[where the Coupon differs between Interest Periods, insert:]*
- | Interest Period | Coupon |
|-----------------|--------|
| [ ]             | [ ]    |
| [ ]             | [ ]    |
- (xvii) Coupon 2: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*  
*[where Coupon 2 differs between Interest Periods, insert:]*
- | Interest Period | Coupon 2 |
|-----------------|----------|
| [ ]             | [ ]      |

	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
Coupon 3:	<input type="checkbox"/> [Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i> <i>[where Coupon 3 differs between Interest Periods, insert:]</i>	
	<b>Interest Period</b>	<b>Coupon 3</b>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
Coupon 4:	<input type="checkbox"/> [Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i> <i>[where Coupon 4 differs between Interest Periods, insert:]</i>	
	<b>Interest Period</b>	<b>Coupon 4</b>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

- (xviii) Minimum Basket Return:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xix) Basket Participation: [As specified in paragraph 27 below] [Not applicable]
- (xx) Reference Rate 2: [AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR [EURIBOR] [Not applicable]\*  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (a) Offered Quotation: [Applicable/Not applicable]
- (b) Arithmetic Mean: [Applicable/Not applicable]
- (c) Interest Determination Date(s):  [Not applicable]
- (d) Relevant Screen Page: [Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]

	(e) Specified Currency:	[ ]
	(f) Designated Maturity:	[ ]
(xxi)	Cap Strike:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxii)	Spread:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxiii)	Floor Strike:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxiv)	Cap Value:	[1/ minus 1/zero/Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxv)	Floor Value:	[1/ minus 1/zero/Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxvi)	Leverage (Cap):	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxvii)	Leverage (Floor):	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxviii)	Cap Strike Upper:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxix)	Cap Strike Lower:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]
(xxx)	Floor Strike Upper:	[ ] [Not applicable] [where 'Combination of Structures (Interest)' is

*specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (xxxix) Floor Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxii) k:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxiii) K:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxiv) W:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxv) X:  [ ]/the floating Interest Rate determined in accordance with paragraph 18 above/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxvi) Y:  [ ]/the floating Interest Rate determined in accordance with paragraph 18 above/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxvii) Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxviii) Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxix) Gearing  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (xl) Power Factor:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xli) Fixed Rate:  per cent./Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlii) Floor:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xliii) Initial Coupon:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xliv) Strike 2:  per cent./Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlv) Range: [From ( and including/but excluding)  ] to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlvi) Range 1: [From ( and including/but excluding)  ] to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlvii) Range 2: [From ( and including/but excluding)  ] to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlviii) Basket Return Barrier 1:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlix) Basket Return Barrier 2:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is*

*specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (l) Basket Return Range: [From ([and including/but excluding] [ ] to [and including/but excluding] [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (li) Coupon (Rebate): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (lii) Participation Ratio: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (liii) Participation Ratio 2: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (liv) Additional Provisions where the Interest Basis is "Contingent Coupon": [Applicable/Not applicable]\*  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (a) Coupon Condition: [Bullish Coupon Condition – Type 1/ Bullish Coupon Condition – Type 2/ Bullish Coupon Condition – Type 3/ Range Coupon Condition – Type 1/ Range Coupon Condition – Type 2/ Range Coupon Condition – Type 3/ Bearish Coupon Condition – Type 1/ Bearish Coupon Condition – Type 2/ Bearish Coupon Condition – Type 3]  
[Basket Value/Reference Asset Value/Nth best performing Reference Asset Value]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Determination of Interest Amount: [Flat Coupon/ Memory Coupon/ Plus Flat Coupon/ Plus Memory Coupon / Adjusted Memory Coupon / Twin Win Coupon]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Coupon Barrier Level(s): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index*

*Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (d) Range(s): [From ([and including/but excluding] [ ] to [and including/but excluding] [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (e) Basket Rate: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (f) Reference Asset Rate: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (g) Best of/Nth Best of/Worst of Rate: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (h) N: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (i) Twin Win Coupon: Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]

22. **Compounding Floater Note Provisions** [Applicable/Not applicable]\*

- (i) Reference Rate: [AUD/CAD/CHF/DKK/EUR/GBP/JPY/NZD/SEK/USD] LIBOR] [EURIBOR]
- (a) Offered Quotation: [Applicable/Not applicable]
- (b) Arithmetic Mean: [Applicable/Not applicable]
- (c) Interest Determination Date(s): [ ] [Not applicable]
- (d) Relevant Screen Page: [Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
- (e) Specified Currency: [ ]
- (f) Designated Maturity: [ ]

- (ii) Valuation Time: [ ] [Not applicable]
- (iii) Valuation Date(s): [ ] [the second business day prior to the first day of each Interest Period] [Not applicable]
- (iv) Maximum Interest Rate: [ ]
- (v) Floor: [ ]
- (vi) Gearing: [ ]
- (vii) Spread: [ ]
- (viii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted]
- (ix) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]

23. **Credit-Linked Note Interest Provisions**

[Applicable: Single Reference Entity CLN/ Non-Tranched CLN Interest/ Tranched CLN Interest/ Nth to Default CLN Interest/ Nth and Nth + 1 to Default CLN Interest] [Not applicable]\*

- (i) Interest Rate: [The Fixed Rate Note Provisions are applicable (further details specified in paragraph 17)/The Floating Rate Note Provisions are applicable (further details specified in paragraph 18)]
- (ii) Interest Payment Dates: [[ ], subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- (iii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (v) Determination Date Exposure: [Applicable/Not applicable]
- (vi) Weighted Average Exposure: [Applicable/Not applicable]
- (vii) Reference Entit(y)(ies) (Interest): [[ ]]

Reference Entity (Interest)	Credit Events	Basket Participation (Interest)	Reference Obligation
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[1] [ ] [Not applicable]	[ ]
[[ ]]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring]	[ ] [ ] [Not applicable]	[[ ]]

	[Obligation Acceleration] [Governmental Intervention]		
[[ ]]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ] [Not applicable]	[[ ]]

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

- (viii) Tranche Attachment Point [ ] [Not applicable]
- (ix) Tranche Detachment Point: [ ] [Not applicable]
- (x) Potential Repudiation Moratorium Amount: [ ]
- (xi) Restructuring Amount: [ ]
- (xii) Obligation Acceleration Amount: [ ]
- (xiii) Failure to Pay Amount: [ ]
- (xiv) Governmental Intervention Requirement: [ ]
- (xv) Observation Date(s): [ ] [Not applicable] [the day falling [ ] Business Days prior to each Interest Payment Date]
- (xvi) Observation Start Date: [ ] [Not applicable]
- (xvii) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Interest)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (xviii) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Interest)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (xix) N: [ ] [Not applicable]

24. **FX-Linked Note Interest Provisions**

[Applicable/Not applicable]\*

- (i) FX Components (Interest) [Applicable – [Bullish FX Return – Type 1] [Bullish FX Return – Type 2] [Bearish FX Return – Type 1] [Bearish FX Return – Type 2]] [Not applicable]\*
- (ii) FX Rate: [ ]

- (iii) Strike Level: [ ]
- (iv) Initial FX Valuation Date(s): [ ]
- (v) FX Valuation Date(s): [ ]

25. **Additional Interest Provisions**

- (i) Minimum Interest Rate: [[+/-] [ ] per cent. per annum/Not applicable]  
*[where the Minimum Interest Rate differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Minimum Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum

- (ii) Maximum Interest Rate: [[+/-] [ ] per cent. per annum/Not applicable]  
*[where the Maximum Interest Rate differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Maximum Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum

- (iii) Minimum Interest Amount: [ ] per Calculation Amount/Not applicable  
*[where the Minimum Interest Amount differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Minimum Interest Amount (per Calculation Amount):]</b>
[ ] to [ ]	[ ]
[ ] to [ ]	[ ]

- (iv) Maximum Interest Amount: [ ] per Calculation Amount/Not applicable  
*[where the Maximum Interest Amount differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Maximum Interest Amount (per Calculation Amount):]</b>
[ ] to [ ]	[ ]
[ ] to [ ]	[ ]

- (v) Additional Business Centre(s): [ ] [Not applicable]
- (vi) Early Redemption Condition: [Applicable/Not applicable]

**PROVISIONS RELATING TO THE REFERENCE ASSETS (INTEREST)**

26.	Reference Assets (Interest):				[Applicable/Not applicable]*		
	<i>No</i>	<i>Reference Asset (Interest)</i>	<i>Relevant Exchange</i>	<i>Stock Exchange and Options or Futures Exchange</i>	<i>Strike Level</i>	<i>Source for past and future performance data</i>	<i>Maximum Performance:</i>
	[ ]	[ ]	[ ]	[ [ ] Exchanges]	[All [ ]	[ ]	[ ]
	[ ]	[ ]	[ ]	[ [ ] Exchanges]	[All [ ]	[ ]	[ ]

27. Basket Participation: [Applicable/Not applicable]

(i) Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(iii) Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

(iv) Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference (Interest)</i>	<i>Asset</i>	<i>Initial Participation</i>	<i>Basket</i>
[ ]		[ ]	
[ ]		[ ]	
[ ]		[ ]	

<i>Ranking of Rebalancing Performance of Reference Asset (Interest) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(v) Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference (Interest)</i>	<i>Asset</i>	<i>Initial Ranking</i>
[ ]		[ ]
[ ]		[ ]
[ ]		[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(vi) Rebalancing Date(s): [ ] [Not applicable]

#### PROVISIONS RELATING TO REDEMPTION

28. Redemption Bas[is] [es] for Redemption at Maturity

(i) Reference Asset(s) (Principal): As specified in paragraph 55 below

(ii) Par: [Applicable/Not applicable]

(iii) Basket Bullish: [Applicable/Not applicable]\*

(a) Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

(b) Participation Ratio: [ ]

(c) Initial Price:

- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not

- applicable]
- Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [the day falling [ ] Business Days prior to each Interest Period] [the day falling [ ] Business Days prior to each Interest Payment Date] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below
- (iv) Basket Bearish: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below

- (v) Buffer Basket Bullish: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Coupon: [ ]
- [where the Coupon differs between Interest Periods, insert:]*
- | Interest Period | Coupon |
|-----------------|--------|
| [ ]             | [ ]    |
| [ ]             | [ ]    |
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (vi) Buffer Basket Bearish: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]

- Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Coupon: [ ]
- [where the Coupon differs between Interest Periods, insert:]*
- | Interest Period | Coupon |
|-----------------|--------|
| [ ]             | [ ]    |
| [ ]             | [ ]    |
- (g) Basket Participation: As specified in paragraph 56 below
- (vii) Bullish One Touch - Type 1: [Applicable/Not applicable]\*
- (a) Maximum Basket Return: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]

- (f) Valuation Time:  [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (viii) Bullish One Touch - Type 2: [Applicable/Not applicable]\*
- (a) Maximum Basket Return:
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return:
- (c) Barrier Level:
- (d) Initial Price:
- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (ix) Bearish One Touch - Type 1: [Applicable/Not applicable]\*
- (a) Maximum Basket Return:
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return:
- (c) Barrier Level:
- (d) Initial Price:
- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]
- (e) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (x) Bearish One Touch - Type 2:  [Applicable/Not applicable]\*
  - (a) Maximum Basket Return:
  - (b) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (c) Barrier Level:
  - (d) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (e) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (f) Valuation Time:  [Not applicable]
  - (g) Basket Participation: As specified in paragraph 56 below
- (xi) Best of/Worst of Bullish One Touch – Type 1  [Applicable/Not applicable]\*
  - (a) N:
  - (b) Maximum Basket Return:
  - (c) Barrier Level:

- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xii) Best of/Worst of Bullish One Touch [Applicable/Not applicable]\*  
– Type 2
- (a) N: [ ]
- (b) Maximum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xiii) Best of/Worst of Bearish One [Applicable/Not applicable]\*  
Touch – Type 1

- (a) N: [ ]
- (b) Maximum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xiv) Best of/Worst of Bearish One Touch – Type 2 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Maximum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]

- (f) Valuation Time: [ ] [Not applicable]
- (xv) Performance Long – Type 1 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xvi) Performance Long – Type 2 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first

- Date(s): day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xvii) Performance Long – Type 3 [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Strike Level: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Participation Ratio 3: [ ]
  - (h) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (i) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]

- Price:
- Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xviii) Performance Short – Type 1 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (b) Barrier Level: [ ]
  - (c) Coupon: [ ]  
*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
[ ]	[ ]
[ ]	[ ]
  - (d) Basket Strike Level: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (h) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (i) Valuation Time: [ ] [Not applicable]

- (j) Basket Participation: As specified in paragraph 56 below
- (xix) Performance Short – Type 2 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xx) Performance Short – Type 3 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]

- (f) Participation Ratio 2:
- (g) Participation Ratio 3:
- (h) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s):  day of the most recent Interest Period] [Not applicable]
  - Maximum Initial  [Applicable/Not applicable] Price:
  - Minimum Initial  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (i) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final  [Applicable/Not applicable] Price:
  - Minimum Final  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (j) Valuation Time:  [Not applicable]
- (k) Bonus Coupon:  [Applicable, ] [Not applicable]
- (l) Basket Return:  [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxi) Best of/Worst of KI Performance Long – Type 1  [Applicable/Not applicable]\*
- (a) N:
- (b) Barrier Level:
- Minimum Basket  Return:
- (c) Participation Ratio:
- (d) Participation Ratio 2:
- (e) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s):  day of the most recent Interest Period] [Not applicable]
  - Maximum Initial  [Applicable/Not applicable] Price:
  - Minimum Initial  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (f) Final Price:

- Valuation Date(s):  [Not applicable]
- Maximum Final Price:  [Applicable/Not applicable]
- Minimum Final Price:  [Applicable/Not applicable]
- Lookback Period:  [Not applicable]
- (g) Valuation Time:  [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (xxii) Best of/Worst of KI Performance Long – Type 2  [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2: 
    - Minimum Basket Return:
  - (d) Participation Ratio:
  - (e) Participation Ratio 2:
  - (f) Participation Ratio 3:
  - (g) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (h) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Valuation Time:  [Not applicable]
  - (j) Bonus Coupon:  [Applicable, ] [Not applicable]
  - (k) Reference Asset Return:  [Applicable/Not applicable]
  - (l) Basket Participation: As specified in paragraph 56 below
- (xxiii) Best of/Worst of KI Performance Long – Type 3  [Applicable/Not applicable]\*

- (a) N: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- Minimum Basket Return: [ ]
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Participation Ratio 3: [ ]
- (g) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (h) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (k) Reference Asset Return: [Applicable/Not applicable]
- (l) Basket Participation: As specified in paragraph 56 below
- (xxiv) Best of/Worst of KI and Full Basket Performance Long – Type 1 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not

- Date(s): applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (g) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xxv) Best of/Worst of KI and Full Basket Performance Long – Type 2 [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Participation Ratio 3: [ ]
  - (h) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (i) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]

	Price:	
	- Lookback Period:	<input type="checkbox"/> [Not applicable]
(j)	Valuation Time:	<input type="checkbox"/> [Not applicable]
(k)	Bonus Coupon:	[Applicable/Not applicable]
(l)	Basket Return:	[Applicable/Not applicable]
(m)	Basket Participation:	As specified in paragraph 56 below
(xxvi)	Best of/Worst of KI and Full Basket Performance Long – Type 3	[Applicable/Not applicable]*
(a)	N:	<input type="checkbox"/>
(b)	Barrier Level 1:	<input type="checkbox"/>
(c)	Barrier Level 2:	<input type="checkbox"/>
(d)	Basket Floor:	[Applicable/Not applicable]
	- Minimum Basket Return:	<input type="checkbox"/>
(e)	Participation Ratio:	<input type="checkbox"/>
(f)	Participation Ratio 2:	<input type="checkbox"/>
(g)	Participation Ratio 3:	<input type="checkbox"/>
(h)	Initial Price:	
	- Initial Valuation Date(s):	<input type="checkbox"/> the day falling <input type="checkbox"/> Business Days prior to the first day of the most recent Interest Period] [Not applicable]
	- Maximum Initial Price:	[Applicable/Not applicable]
	- Minimum Initial Price:	[Applicable/Not applicable]
	- Lookback Period:	<input type="checkbox"/> [Not applicable]
(i)	Final Price:	
	- Valuation Date(s):	<input type="checkbox"/> [Not applicable]
	- Maximum Final Price:	[Applicable/Not applicable]
	- Minimum Final Price:	[Applicable/Not applicable]
	- Lookback Period:	<input type="checkbox"/> [Not applicable]
(j)	Valuation Time:	<input type="checkbox"/> [Not applicable]
(k)	Bonus Coupon:	[Applicable, <input type="checkbox"/> ] [Not applicable]
(l)	Basket Return:	[Applicable/Not applicable]
(m)	Basket Participation:	As specified in paragraph 56 below
(xxvii)	Best of/Worst of KI and Basket Performance Long – Type 1	[Applicable/Not applicable]*

- (a) N: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Floor: [Applicable/Not applicable]  
 - Minimum Basket Return: [ ]
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Initial Price:  
 - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]  
 - Maximum Initial Price: [Applicable/Not applicable]  
 - Minimum Initial Price: [Applicable/Not applicable]  
 - Lookback Period: [ ] [Not applicable]
- (g) Final Price:  
 - Valuation Date(s): [ ] [Not applicable]  
 - Maximum Final Price: [Applicable/Not applicable]  
 - Minimum Final Price: [Applicable/Not applicable]  
 - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xxviii) Best of/Worst of KI and Basket Performance Long – Type 2 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Floor: [Applicable/Not applicable]  
 - Minimum Basket Return: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:  
 - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxix) Best of/Worst of KI and Basket Performance Long – Type 3 [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Participation Ratio 3: [ ]
  - (h) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (i) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]

- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 56 below
- (xxx) Locked Basket: [Applicable/Not applicable]\*
  - (a) N: [ ]
    - Minimum Basket Return: [ ]
  - (b) Participation Ratio: [ ]
  - (c) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (d) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Valuation Time: [ ] [Not applicable]
  - (f) Replacement Factor: [ ] [Not applicable]
  - (g) Basket Participation: As specified in paragraph 56 below
- (xxxi) Individually Capped Basket: [Applicable/Not applicable]\*
  - (a) N: [ ]
    - Minimum Basket Return: [ ]
  - (b) Participation Ratio: [ ]
  - (c) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Maximum Performance: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (xxxii) Rainbow Basket: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below
- (xxxiii) Cliquet: [Applicable/Not applicable]\*
- (a) Participation Ratio: [ ]

- (b) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (c) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (d) Valuation Time: [ ] [Not applicable]
- (e) Initial Coupon: [ ] [Not applicable]
- (f) Lock-in Level: [ ] [Not applicable]
- (g) Global Floor: [ ] [Not applicable]
- (h) Global Cap: [ ] [Not applicable]
- (i) Local Floor: [ ] [Not applicable]
- (j) Local Cap: [ ] [Not applicable]
- (k) Basket Participation: As specified in paragraph 56 below
- (xxxiv) Reverse Cliquet: [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:

- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Initial Coupon: [ ] [Not applicable]
- (g) Lock-in Level: [ ] [Not applicable]
- (h) Global Floor: [ ] [Not applicable]
- (i) Global Cap: [ ] [Not applicable]
- (j) Local Floor: [ ] [Not applicable]
- (k) Local Cap: [ ] [Not applicable]
- (l) Basket Participation: As specified in paragraph 56 below
- (xxxv) Replacement Cliquet: [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Fixed Period Basket Return: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
  - (g) Initial Coupon: [ ] [Not applicable]
  - (h) Lock-in Level: [ ] [Not applicable]
  - (j) Global Floor: [ ] [Not applicable]
  - (j) Global Cap: [ ] [Not applicable]
  - (k) Local Floor: [ ] [Not applicable]
  - (l) Local Cap: [ ] [Not applicable]

- (m) Basket Participation: As specified in paragraph 56 below
- (xxxvi) Reverse Convertible Structure [Applicable/Not applicable]\*  
Long – Type 1:
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 56 below
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xxxvii) KI Reverse Convertible Structure [Applicable/Not applicable]\*  
Long– Type 2:
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- applicable]
- Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xxxviii) Reverse Convertible Short – Type 1: Structure [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (g) Valuation Time: [ ] [Not applicable]

- (h) Basket Participation: As specified in paragraph 56 below
- (xxxix) KI Reverse Convertible Structure Short – Type 2: [Applicable/Not applicable]\*
- (a) Barrier Level 1: [ ]
- (b) Barrier Level 2: [ ]
- (c) Basket Strike Level: [ ]
- (d) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (e) Participation Ratio: [ ]
- (f) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 56 below
- (xl) Best of/Worst of Reverse Convertible Structure Long – Type 1: [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]

- Price:
- Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (xli) KI Best of/Worst of Reverse Convertible Structure Long – Type 2: [Applicable/Not applicable]\*
- (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2:
  - (d) Participation Ratio:
  - (e) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (f) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (g) Valuation Time:  [Not applicable]
- (xlii) Best of/Worst of Reverse Convertible Structure Short – Type 1: [Applicable/Not applicable]\*
- (a) N:
  - (b) Barrier Level:
  - (c) Participation Ratio:

- (d) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xlili) KI Best of/Worst of Reverse [Applicable/Not applicable]\*  
Convertible Structure Short – Type 2:
- (a) N: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Participation Ratio: [ ]
- (e) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (f) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (g) Valuation Time: [ ] [Not applicable]

- (xlv) Basket Up and In Long [Applicable/Not applicable]\*
- (a) Barrier Level: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 56 below
- (xlv) Basket Up and Out Long [Applicable/Not applicable]\*
- (a) Barrier Level: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:

- Valuation Date(s):  [Not applicable]
- Maximum Final Price:  [Applicable/Not applicable]
- Minimum Final Price:  [Applicable/Not applicable]
- Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Rebate:  [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (xlvi) Best of/Worst of Up and In Long  [Applicable/Not applicable]\*
  - (a) Basket Return  [Applicable/Not applicable]
  - (b) Nth best performing Reference Asset Return  [Applicable/Not applicable]
  - (c) N:
  - (d) Barrier Level:
  - (e) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (f) Participation Ratio:
  - (g) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (h) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Valuation Time:  [Not applicable]
  - (j) Basket Participation: As specified in paragraph 56 below
- (xlvii) Best of/Worst of Up and Out Long  [Applicable/Not applicable]\*
  - (a) Basket Return  [Applicable/Not applicable]

- (b) Nth best performing Reference Asset Return [Applicable/Not applicable]
- (c) N: [ ]
- (d) Barrier Level: [ ]
- (e) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (f) Participation Ratio: [ ]
- (g) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (h) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Rebate: [ ] [Not applicable]
- (k) Basket Participation: As specified in paragraph 56 below
- (xlviii) Worst of Down and Out Basket Long [Applicable/Not applicable]\*
- (a) Barrier Level: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]

- Price:
- Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Rebate:  [Not applicable]
- (h) Basket Participation: As specified in paragraph 56 below
- (xlix) Down and Out Basket Long  [Applicable/Not applicable]\*
- (a) Barrier Level:  [ ]
  - (b) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:  [ ]
  - (c) Participation Ratio:  [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (e) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (f) Valuation Time:  [Not applicable]
  - (g) Rebate:  [Not applicable]
  - (h) Basket Participation: As specified in paragraph 56 below
- (l) Best of/Worst of Call Option  [Applicable/Not applicable]\*
- (a) N:  [ ]

- (b) Minimum Basket Return:
- (c) Participation Ratio:
- (d) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s):  day of the most recent Interest Period] [Not applicable]
  - Maximum Initial  [Applicable/Not applicable] Price:
  - Minimum Initial  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final  [Applicable/Not applicable] Price:
  - Minimum Final  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (li) Outperformance Option:  [Applicable/Not applicable]\*
- (a) Participation Ratio:
- (b) Initial Price:
- Initial Valuation  the day falling  Business Days prior to the first Date(s):  day of the most recent Interest Period] [Not applicable]
  - Maximum Initial  [Applicable/Not applicable] Price:
  - Minimum Initial  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (c) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final  [Applicable/Not applicable] Price:
  - Minimum Final  [Applicable/Not applicable] Price:
  - Lookback Period:  [Not applicable]
- (d) Valuation Time:  [Not applicable]
- (e) Maximum Payout:  [Not applicable]
- (f) Bonus Coupon:  [Applicable, ] [Not applicable]

(g) Long Basket:

- Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ] [Not applicable]
[ ]	[ ] [Not applicable]
[ ]	[ ] [Not applicable]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing</i>	<i>Basket Participation</i>
-------------------------------	-----------------------------

<i>Performance of Reference Asset (Principal) (best performing first)</i>	
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

(h) Short Basket:

- Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]

[3]	[]
-----	----

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[]
[]
[]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[]
2	[]
[3]	[]

- Fixed Reference Asset Return: []

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[]	[]
[]	[]
[]	[]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first) (best performing first)</i>	<i>Basket Participation</i>
1	[]
2	[]
[3]	[]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[]	[]
[]	[]
[]	[]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[]
2	[]
[3]	[]

- Rebalancing Date(s): [] [Not applicable]

- (lii) Series of Digitals: [Applicable/Not applicable]\*
- (a) Barrier Level: [ ]
- (b) Valuation Date: [ ]
- (liii) Delta 1: [Applicable/Not applicable]\*
- (a) Scheduled Maturity Date: [ ]
- (b) Fee Amount: [ ]
- (c) Back Stop Date: [ ]
- (liv) Bearish One Touch Structure 2 – Type 1: [Applicable/Not applicable]\*
- (a) Barrier Level: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Coupon: [ ]

Coupon	Interest Period
[ ]	[ ]
[ ]	[ ]

- (lv) Bearish One Touch Structure 2 – Type 2: [Applicable/Not applicable]\*
- (a) Barrier Level: [ ]
- Basket Floor: [Applicable/Not applicable]

- (b) Minimum Basket Return:
- (c) Participation Ratio:
- (d) Initial Price:
- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price:  [Applicable/Not applicable]
  - Minimum Initial Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Strike Level:
- (h) Coupon:

Coupon	Interest Period
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(Ivi) Non-Tranched CLN:  [Applicable/Not applicable]\*

Reference Entity	Credit Events	Basket Participation	Reference Obligation
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[1] <input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	[Failure to Pay]	<input type="checkbox"/>	<input type="checkbox"/>

	[Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]		
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[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]

- (b) Accelerated Payment: CLN [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount: [ ]
- (d) Restructuring Amount: [ ]
- (e) Obligation Acceleration Amount: [ ]
- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) Portfolio Exposure: [ ]
- (i) Target Redemption Amount: [ ]
- (j) Observation Start Date: [ ]
- (k) Observation End Date: [ ]
- (l) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (m) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (n) Back Stop Date: [ ]

- (lvii) Tranching CLN: [Applicable/Not applicable]\*

Reference Entity (Principal)	Entit(y)(ies)	Reference Entity (Principal)	Credit Events	Basket Participation	Reference Obligation
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/	[1] [ ]	[ ]

	moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]		
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>	<input type="checkbox"/>

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

- (b) Accelerated Payment: CLN  [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount:
- (d) Restructuring Amount:
- (e) Obligation Acceleration Amount:
- (f) Failure to Pay Amount:
- (g) Governmental Intervention Requirement:
- (h) Portfolio Exposure:
- (i) Target Redemption Amount:
- (j) Tranche Attachment Point:
- (k) Tranche Detachment Point:
- (l) Observation Start Date:
- (m) Observation End Date:
- (n) Fixed Recovery Value:  [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>

<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>
---	--------------------------

(o) Market Recovery Value:  [Applicable/Not applicable]

<b>[Market Recovery Value]</b>	<b>[Reference Entity (Principal)]</b>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(p) Back Stop Date:

(lviii) Nth to Default CLN:  [Applicable/Not applicable]\*

(a) Reference Entities (Principal)

<b>Reference Entity</b>	<b>Credit Events</b>	<b>Reference Obligation</b>
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>
<input type="checkbox"/>	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	<input type="checkbox"/>

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

(b) Accelerated Payment: CLN  [Applicable/Not applicable]

(c) Potential Repudiation Moratorium Amount:

(d) Restructuring Amount:

(e) Obligation Acceleration Amount:

(f) Failure to Pay Amount:

(g) Governmental

Intervention Requirement:

- (h) N:
- (i) Portfolio Exposure:
- (j) Target Redemption Amount:
- (k) Observation Start Date:
- (l) Observation End Date:
- (m) Fixed Recovery Value:  [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>

- (n) Market Recovery Value:  [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>

- (o) Back Stop Date:

- (lix) Nth and Nth + 1 to Default CLN:  [Applicable/Not applicable]\*

Reference Entity (Principal)	Entities	Reference Entity	Credit Events	Reference Obligation
<input type="checkbox"/>			[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	
<input type="checkbox"/>			[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	
<input type="checkbox"/>			[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	

[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]

- (b) Accelerated CLN Payment: [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount: [ ]
- (d) Restructuring Amount: [ ]
- (e) Obligation Acceleration Amount: [ ]
- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) N: [ ]
- (i) Portfolio Exposure: [ ]
- (j) Target Redemption Amount: [ ]
- (k) Observation Start Date: [ ]
- (l) Observation End Date: [ ]
- (m) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (n) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (o) Back Stop Date: [ ]

- (lx) Physically Settled CLN: [Applicable/Not applicable]\*

- (a) Reference Entity: [ ]
- (b) Credit Events: [Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]
- (c) Reference Obligation: [ ]
- (d) Potential Repudiation Moratorium Amount: [ ]
- (e) Restructuring Amount: [ ]
- (f) Obligation Acceleration: [ ]

- Amount:
- (g) Failure to Pay Amount:
- (h) Governmental Intervention Requirement:
- (i) Observation Start Date:
- (j) Observation End Date:
29. **Applicable Redemption Basis modifier(s) :**
- (i) Maximum Redemption Amount: [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)], the Maximum Redemption Percentage is [ ] per cent.]* [Not applicable]
- (ii) Minimum Redemption Amount: [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)], the Minimum Redemption Percentage is [ ] per cent.]* [Not applicable]
- (iii) Inflation-Protected Principal: [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)]* [Not applicable]\*
- (a) Inflation Index:
- (b) Inflation Index Sponsor:
- (c) Related Bond
- (d) Fallback Bond
- (e) Initial Valuation Date:
- (f) Valuation Date:
- (g) Cut-off Date  [N.B. 5 Business Days should be default]
- (iv) FX Components (Redemption) [Applicable – [Bullish FX Return – Type 1] [Bullish FX Return – Type 2] [Bearish FX Return – Type 1] [Bearish FX Return – Type 2]] [Not applicable] *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)]* [Not applicable]\*
- (a) FX Rate:
- (b) Strike Level:
- (c) Initial FX Valuation Date:
- (d) FX Valuation Date(s):
- (v) Best of/Worst of Modifier: [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)]* [Not applicable]\*
- N:
- (vi) Outperformance Modifier: [Applicable *[where 'Combination of Structures' is applicable: to [insert relevant redemption basis(s)]*

[Not applicable]\*

(a) Long Basket:

- Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]

[ ]	[ ]
-----	-----

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

(b) Short Basket:

- Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>

<i>first)</i>	
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]

2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]
30. **Combination of structures (Redemption):** [Applicable. The applicable Redemption Bases are [ ] and [ ]] [Not applicable]

Redemption Basis:	Redemption Performance Percentage (%):
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

31. **Provisions relating to Fund-Linked Notes:** [Applicable/Not applicable]\*
- (i) Fund: [ ] [Not applicable]
- (ii) Fund Manager: [ ] [Not applicable]
- (iii) Back Stop Date: [ ] [Not applicable]

32. **Partly Paid Note Provisions** [Applicable/Not applicable]\*
- (i) Part Payment Amount(s): [ ]
- (ii) Part Payment Date(s): [ ]

33. **Instalment Redemption** [Applicable/Not applicable]\*

Instalment Date	Instalment Amount
[ ]	[[ ] per Calculation Amount]
[ ]	[[ ] per Calculation Amount]

34. **Issuer Call** [Applicable ([in whole/in part])/Not applicable]\*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note: [[ ] per/[ ] per cent. of the] Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Optional Redemption Amount: [[ ] per Calculation Amount/Not applicable]
- (b) Higher Optional Redemption Amount: [[ ] per Calculation Amount/Not applicable]
- (iv) Optional Redemption Amount (Regulatory Event): [ ] per Calculation Amount
- (v) Notice periods for Issuer Call:
- (a) Minimum number of days' notice: [ ] days
- (b) Maximum number of days' notice: [ ] days

[N.B. When setting notice periods, the Issuer is

*advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and the Principal Paying Agent/Registrar]*

35. **Investor Put** [Applicable ([in whole/in part])/Not applicable]\*
- (i) Optional Redemption Date(s): [ ]
  - (ii) Optional Redemption Amount(s) of each Note: [ ] per [ ] per cent. of the] Calculation Amount
  - (iii) Notice periods for Investor Put:
    - (a) Minimum number of days' notice: [ ] days
    - (b) Maximum number of days' notice: [ ] days

*[N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and the Principal Paying Agent/Registrar]*

36. Early Redemption of Notes with Autocall Redemption Basis: [Applicable/Not applicable]\*
- (i) Bullish Autocall Condition –Type 1 [Applicable/Not applicable]
    - Valuation Time: [ ] [each Valuation Date]
  - (ii) Bullish Autocall Condition –Type 2 [Applicable/Not applicable]
  - (iii) Bullish Autocall Condition –Type 3 [Applicable/Not applicable]
  - (iv) Range Autocall Condition –Type 1 [Applicable/Not applicable]
    - Valuation Time: [ ] [each Valuation Date]
  - (v) Range Autocall Condition –Type 2 [Applicable/Not applicable]
  - (vi) Range Autocall Condition –Type 3 [Applicable/Not applicable]
  - (vii) Bearish Autocall Condition –Type 1 [Applicable/Not applicable]
    - Valuation Time: [ ] [each Valuation Date]
  - (viii) Bearish Autocall Condition –Type 2 [Applicable/Not applicable]
  - (ix) Bearish Autocall Condition –Type 3 [Applicable/Not applicable]
  - (x) Autocall Type: [Basket/Reference Asset/[Nth] best performing Reference Asset]
  - (xi) Autocall Barrier Level(s): [ ] [and [ ]]
  - (xii) Autocall Range(s): [ ]

- (xiii) Autocall Valuation Date(s): [ ] [each Valuation Date]
- (xiv) Valuation Period: [ ]
- (xv) Valuation Time: [ ]
- 37. Target Redemption Condition: [Applicable/Not applicable]\*
  - (i) Target Payment Amount: [ ] per Calculation Amount
  - (ii) Final Interest Payment Type: [Type One] [Type Two]
- 38. Deduction of Unwind Amount on Early Redemption: [Applicable/Not applicable]

**PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY EVENTS.**

- 39. Market Disruption - General: [Applicable/Not applicable]\*
  - Exchange Business Day Convention: [ ]
- 40. Market Disruption Commodity: [Applicable/Not applicable]\*
  - Exchange Business Day Convention: [ ]
- 41. Disruption Currency: [Applicable/Not applicable]
- 42. Calculation Adjustment: [Applicable/Not applicable]
- 43. Corrections: [Applicable/Not applicable]
- 44. Correction Commodity: [Applicable/Not applicable]
- 45. Correction Currency: [Applicable/Not applicable]
- 46. Extraordinary Events - General: [Applicable/Not applicable]
- 47. Relevant Exchange: [As specified for each Reference Asset in paragraphs 26 and 54] Not applicable]]
- 48. Options and Futures Exchange: [As specified for each Reference Asset in paragraphs 26 and 54] Not applicable]]
- 49. Scheduled Trading Day: [[ ] [Not applicable]]
- 50. Additional Disruption Events: [Applicable/Not Applicable]
  - Change In Law: [Applicable/Not applicable]
  - Hedging Disruption: [Applicable/Not applicable]
  - Increased Costs of Hedging: [Applicable/Not applicable]
- 51. Additional Conditions for Fund-Linked Notes: [Applicable/Not applicable]
- 52. Additional Conditions for Inflation-Linked Notes - Additional Disruption Events: [Applicable/Not applicable]\*
  - (i) Change In Law: [Applicable/Not applicable]
  - (ii) Hedging Disruption: [Applicable/Not applicable]
  - (iii) Increased Costs of Hedging: [Applicable/Not applicable]
- 53. Additional Conditions for Equity-Linked Notes: [Applicable/Not applicable]\*
  - (i) Depositary Receipt provisions: [Applicable/Not applicable]

- (a) Details of Depositary Receipt: [Specify name and ISIN Code]
- (b) Reference Asset: [ ]
- (c) Reference Entity: [ ]
- (d) Share Exchange: [ ]
- (ii) Exchange Business Day: [Exchange Business Day (Single Reference Asset Basis)/Exchange Business Day (All Reference Assets Basis)/Exchange Business Day (Per Reference Asset Basis)/Exchange Business Day (Combination Structures Basis)]
- (iii) Scheduled Trading Day: [Scheduled Trading Day (Single Reference Asset Basis)/Scheduled Trading Day (All Reference Assets Basis)/Scheduled Trading Day (Per Reference Asset Basis)/Scheduled Trading Day (Combination Structures Basis)]
- (iv) Dividend Amount: [Record Amount/Ex Amount/Paid Amount]
- (v) Dividend Payment Date: [ ] [As per the Additional Conditions for Equity-Linked Notes]
- (vi) Dividend Period: [First Period/Second Period]
- (vii) Excess Dividend Amount: [Extraordinary Dividend Record Amount/Extraordinary Dividend Ex Amount/Extraordinary Dividend Paid Amount]
- (viii) Extraordinary Dividend: [ ]
- (ix) Initial Stock Loan Rate: [ ]
- (x) Maximum Stock Loan Rate: [ ]
- (xi) Specified Maximum Days of Disruption: [ ] Scheduled Trading Days [N.B. 8 days is default]
- (xii) Settlement Price: [Initial Price/Closing Price] [Start Price] [Final Price]
- (xiii) Extraordinary Events:
- (a) Tender Offer: [Applicable/Not applicable]
- (b) Reference Asset Substitution: [Applicable/Not applicable]
- (c) De-Merger: [Applicable/Not applicable]
- (d) Participation Event: [Applicable/Not applicable]
- (e) Illiquidity: [Applicable/Not applicable]
- (xiv) Additional Disruption Events:
- (a) Analogous Event: [Applicable/Not applicable]
- (b) Change in Law: [Applicable/Not applicable]
- (c) Currency Event: [Applicable/Not applicable]
- (d) Failure to Deliver: [Applicable/Not applicable]
- (e) Hedging Disruption: [Applicable/Not applicable]

- (f) Increased Costs of Hedging: [Applicable/Not applicable]
- (g) Force Majeure Event: [Applicable/Not applicable]
- (h) Increased Cost of Stock Borrow: [Applicable/Not applicable]
- (i) Insolvency Filing: [Applicable/Not applicable]
- (j) Jurisdiction Event: [Applicable/Not applicable]
- (k) Loss of Stock Borrow: [Applicable/Not applicable]
- (l) Termination (Depository Receipts only): [Applicable/Not applicable]
- (m) Adjustment Event (Depository Receipts only): [Applicable/Not applicable]
54. Additional Conditions for Index-Linked Notes and ETF Notes: [Applicable/Not applicable]\*
- (i) Related Index: [ ]
- Index Sponsor: [ ]
- (ii) Exchange Business Day: [Exchange Business Day (Single Index Basis)/Exchange Business Day (All Indices Basis)/Exchange Business Day (Per Index Basis)/Exchange Business Day (Combination Structures Basis)]
- (iii) Scheduled Trading Day: [Scheduled Trading Day (Single Index Basis)/Scheduled Trading Day (All Indices Basis)/Scheduled Trading Day (Per Index Basis)/Scheduled Trading Day (Combination Structures Basis)]
- (iv) Specified Maximum Days of Disruption: [ ] Scheduled Trading Days [*N.B. 8 days is default*]
- (v) Additional Disruption Events:
- (a) Change In Law: [Applicable/Not applicable]
- (b) Hedging Disruption: [Applicable/Not applicable]
- (c) Increased Costs of Hedging: [Applicable/Not applicable]
- (d) Increased Cost of Stock Borrow: [Applicable/Not applicable]
- (e) Loss of Stock Borrow: [Applicable/Not applicable]
- (f) Merger Event: [Applicable/Not applicable]
- (g) Tender Offer: [Applicable/Not applicable]
- (h) Nationalisation: [Applicable/Not applicable]
- (i) Insolvency: [Applicable/Not applicable]
- (j) De-listing: [Applicable/Not applicable]

(k) ETF Event

[Applicable/Not applicable]

**PROVISIONS RELATING TO THE REFERENCE ASSETS (PRINCIPAL)**

55. Reference Asset(s) (Principal): [Applicable/Not applicable]\*

<i>Reference Asset (Principal)</i>	<i>Relevant Exchange</i>	<i>Stock Exchange and Options or Futures Exchange</i>	<i>Strike Level</i>	<i>Source for past and future performance data</i>	<i>Maximum Performance:</i>
[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]	[ ]

56. Basket Participation: [Applicable/Not applicable]

(i) Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(iii) Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>

1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

(iv) Momentum Participation: Basket [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(v) Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(vi) Rebalancing Date(s): [ ] [Not applicable]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

57. Form of Notes:

[Bearer Notes (other than Interbolsa Notes):

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]](N.B. Temporary Global Note required unless TEFRA C applies or TEFRA not applicable)

(Ensure that this is consistent with the wording in the

"Form of the Notes" section in the Offering Circular and the Notes themselves.)

(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)<sup>7</sup>

[Registered Notes]

[Dematerialised book-entry form registered Notes (Interbolsa Notes)]

[Dematerialised book-entry form bearer Notes (Interbolsa Notes)]

[(nominal amount)] registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg].

58. New Global Note: [Yes] [No]
59. Additional Financial Centre(s) relating to payment dates: [ ] [Not applicable]
60. Calculation Agent: [ ] [Not applicable]
61. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No]
62. Clearing System: [Euroclear/[ ]Clearstream, Luxembourg/[ ]/[ ]Interbolsa]

#### **[PURPOSE OF FINAL TERMS]**

These Final Terms comprise the final terms required for the issue [and admission to trading on the regulated market of the [Irish Stock Exchange] [London Stock Exchange] [NYSE Euronext Lisbon] of the Notes described herein pursuant to the €2,500,000,000 Euro Medium Term Note Programme of [Haitong Investment Ireland p.l.c. and Haitong Bank acting through its [head office] [London branch].]

#### **RESPONSIBILITY**

The Issuer [and Haitong Bank, S.A. (in the case where Haitong Investment Ireland p.l.c. is the Issuer)] accepts responsibility for the information contained in these Final Terms. [Relevant third party information] has been extracted from [specify source]. 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 [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

---

<sup>7</sup> Delete if the Notes are being issued in registered form.

By

*Duly authorised*

[Signed on behalf of Haitong Bank:

By

*Duly authorised]*

**[KEEP WELL AGREEMENT**

Haitong Bank hereby confirms that the Keep Well Agreement executed on [•] 2016 (as amended and/or supplemented and/or restated from time to time) will apply in relation to the Notes of this Series.

Signed on behalf of Haitong Bank:

By

*Duly authorised]*

## PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the regulated market of the [Irish Stock Exchange] / [London Stock Exchange] / [NYSE Euronext Lisbon] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the regulated market of the [Irish Stock Exchange] / [London Stock Exchange] / [NYSE Euronext Lisbon] with effect from [ ].] [Not applicable.]
2. **RATINGS**

[The Notes to be issued are not rated.]

[The Notes to be issued [[have been] [are expected to be]] rated [ ] by [Standard & Poor's Credit Market Services Europe Limited] [Moody's Investors Service Ltd.] [Fitch Ratings Limited]].

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

[Standard & Poor's Credit Market Services Europe Limited is established in the EU and registered under Regulation (EC) No 1060/2009.]

[Moody's Investors Service Ltd. is established in the EU and registered under Regulation (EC) No 1060/2009.]

[Fitch Ratings Limited is established in the EU and registered under Regulation (EC) No 1060/2009.]
3. **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"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.] *(Amend as appropriate if there are other interests)*

*[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]*
4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i)] Reasons for the offer [ ]

[(ii)] Estimated net proceeds: [ ]

[(iii)] Estimated total expenses: [ ]
5. **[Fixed Rate Notes only – YIELD**

Indication of yield: [ ]
6. **[Floating Rate Notes only - HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters/Bloomberg].]
7. **[Index-linked or other variable-linked notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

In respect of [the/each] Reference Asset, information in respect of the past and future performance thereof

may be obtained from the source specified in items 26 and [54] of Part A of the Final Terms.

*(Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.<sup>8</sup>)*

**8. POST-ISSUANCE INFORMATION**

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

**9. OPERATIONAL INFORMATION**

ISIN Code: [ ]

Common Code: [ ]

Names and addresses of additional Paying Agent(s) (if any): [ ]

[Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

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

**10. DISTRIBUTION**

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated: [Not applicable]

(a) Names and addresses of Managers and underwriting commitments: [ ]

(b) Date of subscription agreement: [ ]

(c) Stabilising Manager(s) (if any): [Not applicable/[ ]]

(iii) If non-syndicated, name and address [Not applicable]

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<sup>8</sup> Required for derivative Securities to which Annex XII to the prospectus Directive Regulation applies.

of Dealer:

- (a) Name and address of Dealer: [ ]
- (b) Date of subscription agreement: [ ]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Indication of the overall amount of the underwriting commission and of the placing commission: [ ] per cent. of the Aggregate Nominal Amount
- (vi) U.S. Selling Restrictions: [TEFRA C/TEFRA D]

## FORM OF PRICING SUPPLEMENT

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme and for which no prospectus is required to be published under the Prospectus Directive, and which are to be admitted to trading on the GEM, admitted to the regulated market of the Irish Stock Exchange as commercial paper or unlisted, whatever the denomination of those Notes.*

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC FOR THE ISSUE OF NOTES DESCRIBED BELOW.**

[Date]

**[HAITONG INVESTMENT IRELAND p.l.c./ HAITONG BANK, S.A.]**

**[acting through its Head Office/London branch]]**

*[Title of relevant Series of Notes (specifying type of Notes)]*

**issued pursuant to the €2,500,000,000 Euro Medium Term Note Programme  
[with the benefit of a Keep Well Agreement  
provided by HAITONG BANK, S.A.]**

### **PART A – CONTRACTUAL TERMS**

This document constitutes the Pricing Supplement for the Notes described herein for the purposes of the listing and admission to trading rules (the "**Listing Rules**") of the [Irish Stock Exchange]. This document must be read in conjunction with the Offering Circular dated 21 June 2016 [as supplemented by the supplement[s] to the Offering Circular dated [date[s]]] (the "**Offering Circular**") which [together] constitute[s] listing particulars for the purposes of the listing and admission to trading rules (the "**Listing Rules**") of the [Irish Stock Exchange].

Full information on the Relevant Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular [as so supplemented]. The Offering Circular [and the supplement to the Offering Circular] [is/are] available for viewing during normal business hours at [address].

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Offering Circular.

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

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the Offering Circular dated [28 November 2002/5 December 2003/6 December 2004/22 November 2005/29 September 2006/25 July 2007/25 July 2008/27 July 2009/21 July 2010/2 August 2011/29 June 2012/8 July 2013/30 March 2015] and which are incorporated by reference in the Offering Circular dated 21 June 2016.]

*[Include whichever of the following apply or specify items 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 sub-paragraphs, except when a given paragraph or sub-paragraph is marked with an asterisk ("\*"), in which case the remaining sub-paragraphs of such paragraph or sub-paragraph (as applicable) shall be deleted. Italics denote directions for completing the Pricing Supplement.]*

**[For Bearer Notes or Registered Notes (other than Interbolsa Notes) only: The Notes constitute commercial paper issued in accordance with an exemption granted by the Central Bank of Ireland (the Central Bank), under Section 8(2) of the Central Bank Act, 1971 inserted by Section 31 of the Central Bank Act, 1989, as amended by Section 70(d) of the Central Bank Act, 1997. The Notes do not have the status of bank deposits and are not within the scope of the Deposit Protection Scheme operated by the Central Bank and the Issuer is not regulated by the Central Bank arising from the issue of commercial paper.]**

**[For Bearer Notes or Registered Notes (other than Interbolsa Notes) only: Unless otherwise permitted by the current laws and regulations or by the Central Bank, Notes having a term of less than one year must have a minimum denomination of € 125,000 (or its equivalent in any other currency).]**

1. Issuer: [Haitong Investment Ireland p.l.c./ Haitong Bank, S.A. (“**Haitong Bank**”) acting through its [head office] [London branch]]
2. (i) Series Number: [ ]  
(ii) Tranche Number: [ ]  
(iii) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of series] on [[insert date]/the Issue Date/exchange of the Temporary Global Note for the Permanent Global Note, as referred to in paragraph 57 below [which is expected to occur on or about [insert date]].]
3. Specified Currency or Currencies: [ ] [and [ ]]  
(i) Dual Currency provisions: [Applicable/Not applicable]  
(ii) Issue Currency: [ ] [Not applicable]  
(iii) Settlement Currency: [ ] [Not applicable]
4. Aggregate Nominal Amount: [ ]  
(i) Series: [ ]  
(ii) Tranche: [ ]
5. (i) Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]  
(ii) Net Proceeds: [ ]
6. (i) Specified Denominations: [ ]  
(ii) Calculation Amount: [ ]
7. (i) Issue Date: [insert date ]  
(ii) Interest Commencement Date: [[insert date]/Issue Date/Not applicable] (NB Interest Commencement Date will not be applicable for Zero Coupon Notes)
8. Maturity Date: [ ] [Interest Payment Date falling on or nearest to [ ]]
9. Interest Basis: [Fixed Rate [following exercise of the Switch Option] [and] [following satisfaction of the Switch Automatic Condition]] [Floating Rate] [Inflation-Linked] [Binary Inflation Cap] [Binary Inflation Floor] [Binary Inflation Range] [Inflation Range Accrual] [Inflation Cap/Floor] [ZC Inflation Cap Floor] [Inflation Linker] [Zero Coupon] [Contingent Coupon] [Digital Podium Long] [Digital Podium Short] [Strip of Call Spreads] [Series of Digitals] [Capped Floor Float] [Cap Floor Spread] [Range Accrual] [Range Accrual In/Out] [Knockout Range Accrual] [Binary Cap/Floor] [Inverse Floater] [Power Cap/Floor] [Lock-In 1] [Lock-In 2] [Snowball] [Accumulator] [Binary Accumulator] [Contingent

Cap/Floor] [Dual Digital Cap – Type 1] [Dual Digital Cap – Type 2][Dual Digital Floor – Type 1] [Dual digital Floor - Type 2] [Double No Touch – Type 1] [Double No Touch – Type 2] [Wedding Cake – Type 1] [Wedding Cake – Type 2] [Step Up Growth] [Twin Win – Type 1] [Twin Win – Type 2] [Buffer Basket] [Hybrid Range Accrual] [Compounding Floater] [Single Reference Entity CLN] [Non-Tranched CLN Interest] [Tranched CLN Interest] [Nth to Default CLN Interest] [Nth and Nth + 1 to Default CLN Interest] [subject to [exercise of the Switch Option] [and] [the Switch Automatic Condition]] (further particulars relating to interest payable (if any) specified below)

10. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at the Redemption Amount, which will be determined in accordance with the Redemption Basis(s) specified in paragraph 29.
11. Physical Delivery Notes: [Applicable / Not applicable]  
 - Asset Amount: [ ] [Not applicable]
12. Put/Call Options: [Investor Put] [Issuer Call] [(further particulars are specified below)] [Not applicable]
13. Status of the Notes: [Senior/Tier 2]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Rate Adjustment Note Provisions [Applicable/Not applicable]<sup>10</sup>
- |                 |                           |
|-----------------|---------------------------|
| Interest Basis: | Interest Payment Date[s]: |
| [ ]             | [ ]                       |
15. Combination of Structures (Interest) [Applicable. The applicable Interest Bases are [ ] [, [ ] [and [ ]]/Not applicable]\*
- |                 |                                      |
|-----------------|--------------------------------------|
| Interest Basis: | Interest Performance Percentage (%): |
| [ ]             | [ ]                                  |
| [ ]             | [ ]                                  |
| [ ]             | [ ]                                  |
16. Switch Option [Applicable/Not applicable]\*
- (i) Switch Option Date(s): [ ] [in each year]  
 [(further particulars in respect of the Fixed Rate interest are specified below)]
- (ii) "Par" Redemption Basis: [Applicable/Not applicable]
17. Switch Automatic Condition [Applicable/Not applicable]\*

<sup>10</sup> If not applicable, delete the remaining sub-paragraphs of this paragraph or sub-paragraph (as applicable)

		[(further particulars in respect of the Fixed Rate interest are specified below)]
(i)	Coupon Condition:	[Bullish Coupon Condition – Type 1/ Bullish Coupon Condition – Type 2/ Bullish Coupon Condition – Type 3/ Range Coupon Condition – Type 1/ Range Coupon Condition – Type 2/ Range Coupon Condition – Type 3/ Bearish Coupon Condition – Type 1/ Bearish Coupon Condition – Type 2/ Bearish Coupon Condition – Type 3] [Basket Value/Reference Asset Value/Nth best performing Reference Asset Value]
(ii)	Initial Valuation Date:	[ ]
(iii)	Valuation Date(s):	[ ]
(iv)	Coupon Barrier Level(s):	[ ] [Not applicable]
(v)	Range(s):	[From ([and including/but excluding]) [ ] to ([and including/but excluding]) [ ]] [Not applicable]
(vi)	Basket Rate:	[Applicable/Not applicable]
(vii)	Reference Asset Rate:	[Applicable/Not applicable]
(viii)	Best of/Nth Best of/Worst of Rate:	[Applicable/Not applicable]
(ix)	N:	[ ] [Not applicable]
(x)	Strike Level:	[ ] [Not applicable]
(xi)	Initial Price:	
	(a) Maximum Initial Price:	[Applicable/Not applicable]
	(b) Minimum Initial Price:	[Applicable/Not applicable]
	(c) Lookback Period:	[ ] [Not applicable]
(xii)	Final Price:	
	(a) Maximum Final Price:	[Applicable/Not applicable]
	(b) Minimum Final Price:	[Applicable/Not applicable]
	(c) Lookback Period:	[ ] [Not applicable]
(xiii)	"Par" Redemption Basis:	[Applicable/Not applicable]
18.	<b>Fixed Rate Note Provisions</b>	[Applicable/Not applicable/Applicable following exercise of the Switch Option/Applicable with effect from the Automatic Switch Date, if any/Applicable for the purposes of calculating the Interest Rate in respect of the [Inflation-Linked Interest Note Provisions/ Credit-Linked Note Interest Provisions]*
(i)	Interest Rate:	[ ] per cent. per annum <i>[where the Interest Rate differs between Interest Periods, insert:]</i>
		<b>[Interest Period:]</b> <b>[Interest Rate:]</b>
		[ ] to [ ]                                      [+/-] [ ] per cent. per annum

		[ ] to [ ]	[+/-] [ ] per cent. per annum
(ii)	Interest Payment Date(s):	[[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (vii) below] [Not applicable]	
(iii)	Coupon Amount(s) ( <i>Applicable to Interbolsa Notes and to Notes in definitive form</i> ):	[[ ] per Calculation Amount/Not applicable]	
(iv)	Broken Amount(s): ( <i>Applicable to Interbolsa Notes and to Notes in definitive form</i> ):	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]] [Not applicable]	
(v)	Fixed Day Count Fraction:	[Actual/Actual (ICMA)] [30/360] [unadjusted/adjusted] [Not applicable] ( <i>Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) will not be a suitable day count fraction</i> )	
(vi)	Determination Date(s):	[[ ] in each year] [Not applicable] <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration. N.B.: only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>	
(vii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not applicable]	
19.	<b>Floating Rate Note Provisions</b>	[Applicable/Not applicable/Applicable for the purposes of calculating [the Interest Rate/X [and Y]] in respect of the [Inflation-Linked Interest Note Provisions/ Credit-Linked Note Interest Provisions/ Index Interest Note Provisions]]*	
(i)	Interest Payment Dates:	[[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (iii) below] [Not applicable]	
(ii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted] [Not applicable]	
(iii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention] [Not applicable]	
(iv)	Manner in which the Interest Rate is to be determined:	[ISDA Determination/Screen Rate Determination]	
(v)	Party responsible for determining the Interest Rate and calculating the Interest Amount (if not the Agent):	[Haitong Bank, Rua Alexandre Herculano, 38, 1269-180 Lisbon, Portugal/specify other, giving name and address/Not applicable]	

(vi)	ISDA Determination:	[Applicable/Not applicable]
	(a) Floating Rate Option:	[ ]
	(b) Designated Maturity:	[ ]
	(c) Reset Date:	[The first day of the Interest Period/[ ]]
(vii)	Screen Rate Determination:	[Applicable/Not applicable]
	(a) Offered Quotation:	[Applicable/Not applicable]
	(b) Arithmetic Mean:	[Applicable/Not applicable]
	(c) Reference Rate:	[AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR [EURIBOR]
	(d) Interest Determination Date(s):	[ ] [Not applicable]
	(e) Relevant Screen Page:	[Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
	(f) Specified Currency:	[ ]
	(g) Designated Maturity:	[ ]
(viii)	Margin(s):	[[+/-] [ ] per cent. per annum/Not applicable]
20.	<b>Inflation-Linked Interest Note Provisions</b>	[Applicable: Inflation-Linked/ Binary Inflation Cap/ Binary Inflation Floor/ Binary Inflation Range/ Inflation Range Accrual/ Inflation Cap/Floor/ ZC Inflation Cap Floor/ Inflation Linker] [Not applicable]*
	(i) Inflation Index:	[ ]
	(ii) Inflation Index Sponsor:	[ ]
	(iii) Related Bond	[ ]
	(iv) Fallback Bond	[ ]
	(v) Cut-off Date:	[ ]
	(vi) Interest Rate:	[The Fixed Rate Note Provisions are applicable (further details specified in paragraph 18 above)/The Floating Rate Note Provisions are applicable (further details specified in paragraph 19 above)/Not applicable]
	(vii) Interest Payment Dates:	[[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (ix) below]
	(viii) Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [unadjusted/adjusted] [30E/360 (ISDA)]

- (ix) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (x) Strike Level: [ ] [Not applicable]
- (xi) Coupon: [ ] [Not applicable]  
*[where the Coupon differs between Interest Periods, insert:]*

Coupon	Interest Period
[ ]	[ ]
[ ]	[ ]

- (xii) Strike Lower: [ ] [Not applicable]
- (xiii) Strike Upper: [ ] [Not applicable]
- (xiv) Gearing: [ ] [Not applicable]
- (xv) Flag: [ ] [Not applicable]
- (xvi) Tenor: [ ] [Not applicable]
- (xvii) X: [[ ]/the floating Interest Rate determined in accordance with paragraph 19 above/Not applicable]
- (xviii) Valuation Date(s): [ ] [Not applicable]

21. **Zero Coupon Note Provisions**

[Applicable/Not applicable]\*

- (i) Accrual Yield: [ ] per cent. per annum
- (ii) Reference Price: [ ] [per cent. of the Calculation Amount]
- (iii) Redemption Amount: [[ ] per Calculation Amount/Not applicable]

22. **Index Interest Note Provisions**

[Applicable: Contingent Coupon/ Digital Podium Long/ Digital Podium Short/ Strip of Call Spreads/ Series of Digitals/ Capped Floor Float/ Cap Floor Spread/ Range Accrual/ Range Accrual In/Out/ Knockout Range Accrual/ Binary Cap/Floor/ Inverse Floater/ Power Cap/Floor/ Lock-In 1/ Lock-In 2/ Snowball/ Accumulator/ Binary Accumulator/ Contingent Cap/Floor/ Dual Digital Cap – Type 1/ Dual Digital Floor – Type 1/ Double No Touch – Type 1/ Double No Touch – Type 2/ Wedding Cake – Type 1/ Wedding Cake – Type 2/ Step Up Growth/ Twin Win – Type 1/ Twin Win – Type 2/ Buffer Basket /Hybrid Range Accrual] [Not applicable]\*

- (i) Reference Asset(s) (Interest): [ ]  
*[where ‘Combination of Structures (Interest)’ is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (ii) Interest Payment Dates: [[ ], [ ], [ ], and [ ]] [in each year] [commencing on [ ] to and including [ ] [subject to adjustment in accordance with the Business Day Convention set out in (iv) below]

*[where ‘Combination of Structures (Interest)’ is*

- specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (iii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [unadjusted/adjusted] [30E/360 (ISDA)]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (v) Reference Rate: [AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR [EURIBOR] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (a) Offered Quotation: [Applicable/Not applicable]
- (b) Arithmetic Mean: [Applicable/Not applicable]
- (c) Interest Determination Date(s): [ ] [Not applicable]
- (d) Relevant Screen Page: [Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
- (e) Specified Currency: [ ]
- (f) Designated Maturity: [ ]
- (vi) Valuation Date(s): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (vii) Initial Valuation Date(s): [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (viii) Valuation Time: [ ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is*

*specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (ix) Observation Date(s):  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (x) Initial Price: [Applicable/Not applicable]\*
- (a) Initial Valuation Date(s):  [the day falling  Business Days prior to the first day of each Interest Period] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Maximum Initial Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Minimum Initial Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Lookback Period:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xi) Final Price: [Applicable/Not applicable]\*
- (a) Valuation Date:   
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Maximum Final Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Minimum Final Price: [Applicable/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Lookback Period:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index*

*Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xii) Strike Level:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xiii) Barrier Level:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xiv) N:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xv) Z:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

(xvi) Coupon:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*  
*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(xvii) Coupon 2:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*  
*[where Coupon 2 differs between Interest Periods, insert:]*

Interest Period	Coupon 2
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(xviii) Coupon 3:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

		<i>[where Coupon 3 differs between Interest Periods, insert:]</i>
	<b>Interest Period</b>	<b>Coupon 3</b>
	[ ]	[ ]
	[ ]	[ ]
(xix)	Coupon 4:	[ ] [Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i> <i>[where Coupon 4 differs between Interest Periods, insert:]</i>
	<b>Interest Period</b>	<b>Coupon 4</b>
	[ ]	[ ]
	[ ]	[ ]
(xx)	Minimum Basket Return:	[ ] [Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i>
(xxi)	Basket Participation:	[As specified in paragraph 28 below] [Not applicable]
(xxii)	Reference Rate 2:	[AUD/ CAD/ CHF/ DKK/ EUR/ GBP/ JPY/ NZD/ SEK/ USD] LIBOR] [EURIBOR] [Not applicable]* <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i>
	(a) Offered Quotation:	[Applicable/Not applicable]
	(b) Arithmetic Mean:	[Applicable/Not applicable]
	(c) Interest Determination Date(s):	[ ] [Not applicable]
	(d) Relevant Screen Page:	[Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
	(e) Specified Currency:	[ ]
	(f) Designated Maturity:	[ ]
(xxiii)	Cap Strike:	[ ] [Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i>

- (xxiv) Spread:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxv) Floor Strike:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxvi) Cap Value:  [1/ minus 1/zero/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxvii) Floor Value:  [1/ minus 1/zero/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxviii) Leverage (Cap):  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxix) Leverage (Floor):  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxx) Cap Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxi) Cap Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxii) Floor Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxiii) Floor Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (xxxiv) k:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxv) K:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxvi) W:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxvii) X:  [ ]/the floating Interest Rate determined in accordance with paragraph 19 above/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxviii) Y:  [ ]/the floating Interest Rate determined in accordance with paragraph 19 above/Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xxxix) Strike Upper:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xl) Strike Lower:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xli) Gearing  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlii) Power Factor:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xliii) Fixed Rate:  [ ] per cent./Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index*

*Interest Basis is applicable, insert as applicable for each Interest Basis]*

- (xliv) Floor:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlv) Initial Coupon:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlvi) Strike 2:  [ ] per cent./Not applicable  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlvii) Range: [From ([and including/but excluding]  ) to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlviii) Range 1: [From ([and including/but excluding]  ) to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (xlix) Range 2: [From ([and including/but excluding]  ) to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (l) Basket Return Barrier 1:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (li) Basket Return Barrier 2:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (lii) Basket Return Range: [From ([and including/but excluding]  ) to [and including/but excluding]  ] [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*

- each Interest Basis]*
- (liii) Coupon (Rebate):  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (liv) Participation Ratio:  [Not applicable]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (lv) Additional Provisions where the Interest Basis is "Contingent Coupon":  [Applicable/Not applicable]\*  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (a) Coupon Condition:  [Bullish Coupon Condition – Type 1/ Bullish Coupon Condition – Type 2/ Bullish Coupon Condition – Type 3/ Range Coupon Condition – Type 1/ Range Coupon Condition – Type 2/ Range Coupon Condition – Type 3/ Bearish Coupon Condition – Type 1/ Bearish Coupon Condition – Type 2/ Bearish Coupon Condition – Type 3]  
 [Basket Value/Reference Asset Value/Nth best performing Reference Asset Value]  
*[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (b) Determination of Interest Amount:  [Flat Coupon/ Memory Coupon/ Plus Flat Coupon/ Plus Memory Coupon/ Adjusted Memory Coupon / Twin Win Coupon]  
 *[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (c) Coupon Barrier Level(s):  [Not applicable]  
 *[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (d) Range(s):  [From ([and including/but excluding] [ ] to [and including/but excluding] [ ])]  [Not applicable]  
 *[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]*
- (e) Basket Rate:  [Applicable/Not applicable]  
 *[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for*

		<i>each Interest Basis]</i>
	(f) Reference Asset Rate:	[Applicable/Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i>
	(g) Best of/Nth Best of/Worst of Rate:	[Applicable/Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i>
	(h) N:	[ ] [Not applicable] <i>[where 'Combination of Structures (Interest)' is specified to be applicable and more than one Index Interest Basis is applicable, insert as applicable for each Interest Basis]</i>
	(i) Twin Win Coupon: Basket Floor:	[Applicable/Not applicable]
	- Minimum Basket Return:	[ ]
23.	<b>Compounding Floater Note Provisions</b>	[Applicable/Not applicable]*
	(i) Reference Rate:	[AUD/CAD/CHF/DKK/EUR/GBP/JPY/NZD/SEK/USD] LIBOR] [EURIBOR]
	(a) Offered Quotation:	[Applicable/Not applicable]
	(b) Arithmetic Mean:	[Applicable/Not applicable]
	(c) Interest Determination Date(s):	[ ] [Not applicable]
	(d) Relevant Screen Page:	[Reuters Screen EURIBOR01 Page/ Reuters Screen LIBOR01 Page/ Reuters Screen LIBOR02 Page/ Reuters Screen 3750 Page/ Bloomberg Screen BBAM AU Page/ Bloomberg Screen BTMM CA Page/ Bloomberg Screen BTMM EU Page/ Bloomberg Screen BTMM JN Page/ Bloomberg Screen BTMM UK Page/ Bloomberg Screen BTMM SZ Page/ Bloomberg Screen BTMM Page]
	(e) Specified Currency:	[ ]
	(f) Designated Maturity:	[ ]
	(ii) Valuation Time:	[ ] [Not applicable]
	(iii) Valuation Date(s):	[ ] [the second business day prior to the first day of each Interest Period] [Not applicable]
	(iv) Maximum Interest Rate:	[ ]
	(v) Floor:	[ ]
	(vi) Gearing:	[ ]
	(vii) Spread:	[ ]
	(viii) Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]

[360/360] [Bond Basis] [30E/360] [Eurobond Basis]  
 [30E/360 (ISDA)] [unadjusted/adjusted]

- (ix) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
24. **Credit-Linked Note Interest Provisions** [Applicable: Single Reference Entity CLN/ Non-Tranched CLN Interest/ Tranched CLN Interest/ Nth to Default CLN Interest/ Nth and Nth + 1 to Default CLN Interest] [Not applicable]\*
- (i) Interest Rate: [The Fixed Rate Note Provisions are applicable (further details specified in paragraph 18)/The Floating Rate Note Provisions are applicable (further details specified in paragraph 19)]
- (ii) Interest Payment Dates: [[ ]], subject to adjustment in accordance with the Business Day Convention set out in (iv) below]
- (iii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [unadjusted/adjusted]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (v) Determination Date Exposure: [Applicable/Not applicable]
- (vi) Weighted Average Exposure: [Applicable/Not applicable]
- (vii) Reference Entit(y)(ies) (Interest): [[ ]]

Reference Entity (Interest)	Credit Events	Basket Participation (Interest)	Reference Obligation
[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ] [ ] [Not applicable]]	[ ]
[[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ] [ ] [Not applicable]]	[[ ]
[[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ] [ ] [Not applicable]]	[[ ]

[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]

- (viii) Tranche Attachment Point  [Not applicable]
- (ix) Tranche Detachment Point:  [Not applicable]
- (x) Potential Repudiation Moratorium Amount:
- (xi) Restructuring Amount:
- (xii) Obligation Acceleration Amount:
- (xiii) Failure to Pay Amount:
- (xiv) Governmental Intervention Requirement:
- (xv) Observation Date(s):  [Not applicable] [the day falling  Business Days prior to each Interest Payment Date]
- (xvi) Observation Start Date:  [Not applicable]
- (xvii) Fixed Recovery Value:  [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Interest)]
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>
<input type="checkbox"/> [Not applicable]	<input type="checkbox"/>

- (xviii) Market Recovery Value:  [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Interest)]
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>
<input type="checkbox"/> [Applicable/Not applicable]	<input type="checkbox"/>

- (xix) N:  [Not applicable]

25. **FX-Linked Note Interest Provisions**

[Applicable/Not applicable]\*

- (i) FX Components (Interest)  [Applicable – [Bullish FX Return – Type 1] [Bullish FX Return – Type 2] [Bearish FX Return – Type 1] [Bearish FX Return – Type 2]] [Not applicable]\*
- (ii) FX Rate:
- (iii) Strike Level:
- (iv) Initial FX Valuation Date(s):
- (v) FX Valuation Date(s):

26. **Additional Interest Provisions**

- (i) Minimum Interest Rate:  [[+/-]  per cent. per annum/Not applicable]  
[where the Minimum Interest Rate differs between Interest Periods, insert:]

<b>[Interest Period:]</b>	<b>[Minimum Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum

(ii) Maximum Interest Rate:

[[+/-] [ ] per cent. per annum/Not applicable]

*[where the Maximum Interest Rate differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Maximum Interest Rate:]</b>
[ ] to [ ]	[+/-] [ ] per cent. per annum
[ ] to [ ]	[+/-] [ ] per cent. per annum

(iii) Minimum Interest Amount:

[ ] per Calculation Amount/Not applicable]

*[where the Minimum Interest Amount differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Minimum Interest Amount (per Calculation Amount):]</b>
[ ] to [ ]	[ ]
[ ] to [ ]	[ ]

(iv) Maximum Interest Amount:

[ ] per Calculation Amount/Not applicable]

*[where the Maximum Interest Amount differs between Interest Periods, insert:]*

<b>[Interest Period:]</b>	<b>[Maximum Interest Amount (per Calculation Amount):]</b>
[ ] to [ ]	[ ]
[ ] to [ ]	[ ]

(v) Additional Business Centre(s):

[ ] [Not applicable]

(vi) Early Redemption Condition:

[Applicable/Not applicable]

**PROVISIONS RELATING TO THE REFERENCE ASSETS (INTEREST)**

27. Reference Assets (Interest): [Applicable/Not applicable]\*

<i>Reference Asset (Interest)</i>	<i>Relevant Exchange</i>	<i>Stock Exchange and Options or Futures Exchange</i>	<i>Strike Level</i>	<i>Source for past and future performance data</i>	<i>Maximum Performance:</i>
[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ] [All Exchanges]	[ ]	[ ]	[ ]

28. Basket Participation: [Applicable/Not applicable]

(i) Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(iii) Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

(iv) Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Interest) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(v) Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Interest) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(vi) Rebalancing Date(s): [ ] [Not applicable]

**PROVISIONS RELATING TO REDEMPTION**

29. Redemption Bas[is] [es] for Redemption at Maturity

- (i) Reference Asset(s) (Principal): As specified in paragraph 56 below
- (ii) Par: [Applicable/Not applicable]
- (iii) Basket Bullish: [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (b) Participation Ratio: [ ]
  - (c) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]

- (d) Final Price:
- Valuation Date(s):  [the day falling  Business Days prior to each Interest Period]  [the day falling  Business Days prior to each Interest Payment Date] [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (e) Valuation Time:  [Not applicable]
- (f) Basket Participation: As specified in paragraph 57 below
- (iv) Basket Bearish:  [Applicable/Not applicable]\*
- (a) Basket Floor:  [Applicable/Not applicable]
- Minimum Basket Return:  [ ]
- (b) Participation Ratio:  [ ]
- (c) Initial Price:
- Initial Valuation Date(s):  [the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price:  [Applicable/Not applicable]
  - Minimum Initial Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (d) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (e) Valuation Time:  [Not applicable]
- (f) Basket Participation: As specified in paragraph 57 below
- (v) Buffer Basket Bullish:  [Applicable/Not applicable]\*
- (a) Basket Floor:  [Applicable/Not applicable]
- Minimum Basket Return:  [ ]
- (b) Participation Ratio:  [ ]

- (c) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]

- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]

- (e) Coupon: [ ]  
*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
[ ]	[ ]
[ ]	[ ]

- (f) Valuation Time: [ ] [Not applicable]

- (g) Basket Participation: As specified in paragraph 57 below

- (vi) Buffer Basket Bearish: [Applicable/Not applicable]\*

- (a) Basket Floor: [Applicable/Not applicable]

- Minimum Basket [ ] Return:

- (b) Participation Ratio: [ ]

- (c) Initial Price:

- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
- Maximum Initial [Applicable/Not applicable] Price:
- Minimum Initial [Applicable/Not applicable] Price:
- Lookback Period: [ ] [Not applicable]

- (d) Final Price:

- Valuation Date(s):  [Not applicable]
- Maximum Final Price:  [Applicable/Not applicable]
- Minimum Final Price:  [Applicable/Not applicable]
- Lookback Period:  [Not applicable]

(e) Valuation Time:  [Not applicable]

(f) Coupon:

*[where the Coupon differs between Interest Periods, insert:]*

Interest Period	Coupon
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

(g) Basket Participation: As specified in paragraph 57 below

(vii) Bullish One Touch - Type 1:  [Applicable/Not applicable]\*

(a) Maximum Basket Return:

(b) Basket Floor:  [Applicable/Not applicable]

- Minimum Basket Return:

(c) Barrier Level:

(d) Initial Price:

- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]

- Maximum Initial Price:  [Applicable/Not applicable]

- Minimum Initial Price:  [Applicable/Not applicable]

- Lookback Period:  [Not applicable]

(e) Final Price:

- Valuation Date(s):  [Not applicable]

- Maximum Final Price:  [Applicable/Not applicable]

- Minimum Final Price:  [Applicable/Not applicable]

- Lookback Period:  [Not applicable]

(f) Valuation Time:  [Not applicable]

(g) Basket Participation: As specified in paragraph 57 below

(viii) Bullish One Touch - Type 2:  [Applicable/Not applicable]\*

(a) Maximum Basket Return:

- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 57 below
- (ix) Bearish One Touch - Type 1: [Applicable/Not applicable]\*
- (a) Maximum Basket Return: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Barrier Level: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]

- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 57 below
- (x) Bearish One Touch - Type 2: [Applicable/Not applicable]\*
  - (a) Maximum Basket Return: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (c) Barrier Level: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
  - (g) Basket Participation: As specified in paragraph 57 below
- (xi) Best of/Worst of Bullish One Touch – Type 1: [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Maximum Basket Return: [ ]
  - (c) Barrier Level: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]

- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xii) Best of/Worst of Bullish One Touch – Type 2 [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Maximum Basket Return: [ ]
  - (c) Barrier Level: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
- (xiii) Best of/Worst of Bearish One Touch – Type 1 [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Maximum Basket Return: [ ]
  - (c) Barrier Level: [ ]
  - (d) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first

- Date(s): day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
- (xiv) Best of/Worst of Bearish One Touch – Type 2 [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Maximum Basket Return: [ ]
  - (c) Barrier Level: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
- (xv) Performance Long – Type 1 [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]

- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Initial Price:
  - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (g) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 57 below
- (xvi) Performance Long – Type 2 [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket [ ] Return:
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Basket Strike Level: [ ]
  - (e) Participation Ratio: [ ]
  - (f) Participation Ratio 2: [ ]
  - (g) Participation Ratio 3: [ ]
  - (h) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
    - Maximum Initial [Applicable/Not applicable] Price:
    - Minimum Initial [Applicable/Not applicable] Price:

- Lookback Period:  [Not applicable]
- (i) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (j) Valuation Time:  [Not applicable]
- (k) Bonus Coupon:  [Applicable, ] [Not applicable]
- (l) Basket Return:  [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xvii) Performance Long – Type 3  [Applicable/Not applicable]\*
  - (a) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:  [ ]
  - (b) Barrier Level 1:  [ ]
  - (c) Barrier Level 2:  [ ]
  - (d) Basket Strike Level:  [ ]
  - (e) Participation Ratio:  [ ]
  - (f) Participation Ratio 2:  [ ]
  - (g) Participation Ratio 3:  [ ]
  - (h) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (j) Valuation Time:  [Not applicable]

- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xviii) Performance Short – Type 1 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Coupon: [ ]
- [where the Coupon differs between Interest Periods, insert:]*
- | Interest Period | Coupon |
|-----------------|--------|
| [ ]             | [ ]    |
| [ ]             | [ ]    |
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (h) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Basket Participation: As specified in paragraph 57 below
- (xix) Performance Short – Type 2 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]

- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xx) Performance Short – Type 3 [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket [ ] Return:
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): of the most recent Interest Period] [Not applicable]

- applicable]
- Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xxi) Best of/Worst of KI Performance Long – Type 1 [Applicable/Not applicable]\*
- (a) N: [ ]
  - (b) Barrier Level: [ ]
    - Minimum Basket Return: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Participation Ratio 2: [ ]
  - (e) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]

- Lookback Period:  [Not applicable]
- (g) Valuation Time:  [Not applicable]
- (h) Basket Participation: As specified in paragraph 57 below
- (xxii) Best of/Worst of KI Performance Long – Type 2 [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2: 
    - Minimum Basket Return:
  - (d) Participation Ratio:
  - (e) Participation Ratio 2:
  - (f) Participation Ratio 3:
  - (g) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (h) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Valuation Time:  [Not applicable]
  - (j) Bonus Coupon: [Applicable, ] [Not applicable]
  - (k) Reference Asset Return: [Applicable/Not applicable]
  - (l) Basket Participation: As specified in paragraph 57 below
- (xxiii) Best of/Worst of KI Performance Long – Type 3 [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2: 
    - Minimum Basket Return:

Return:

- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Participation Ratio 3: [ ]
- (g) Initial Price:
  - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (h) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (k) Reference Asset Return: [Applicable/Not applicable]
- (l) Basket Participation: As specified in paragraph 57 below
- (xxiv) Best of/Worst of KI and Full Basket Performance Long – Type 1 [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level: [ ]
  - (c) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket [ ] Return:
  - (d) Participation Ratio: [ ]
  - (e) Participation Ratio 2: [ ]
  - (f) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
    - Maximum Initial [Applicable/Not applicable] Price:
    - Minimum Initial [Applicable/Not applicable] Price:

- Price:
- Lookback Period:  [Not applicable]
- (g) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (h) Valuation Time:  [Not applicable]
- (i) Basket Participation: As specified in paragraph 57 below
- (xxv) Best of/Worst of KI and Full Basket Performance Long – Type 2  [Applicable/Not applicable]\*
- (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2:
  - (d) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (e) Participation Ratio:
  - (f) Participation Ratio 2:
  - (g) Participation Ratio 3:
  - (h) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (j) Valuation Time:  [Not applicable]
  - (k) Bonus Coupon:  [Applicable/Not applicable]

- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xxvi) Best of/Worst of KI and Full Basket Performance Long – Type 3 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (i) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (j) Valuation Time: [ ] [Not applicable]
- (k) Bonus Coupon: [Applicable, [ ]] [Not applicable]
- (l) Basket Return: [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xxvii) Best of/Worst of KI and Basket Performance Long – Type 1 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Floor: [Applicable/Not applicable]
- Minimum Basket [ ]

- Return:
- (d) Participation Ratio: [ ]
- (e) Participation Ratio 2: [ ]
- (f) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (g) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final [Applicable/Not applicable] Price:
  - Minimum Final [Applicable/Not applicable] Price:
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 57 below
- (xxviii) Best of/Worst of KI and Basket Performance Long – Type 2 [Applicable/Not applicable]\*
- (a) N: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Floor: [Applicable/Not applicable]
- Minimum Basket [ ] Return:
- (e) Participation Ratio: [ ]
- (f) Participation Ratio 2: [ ]
- (g) Participation Ratio 3: [ ]
- (h) Initial Price:
- Initial Valuation [ ] the day falling [ ] Business Days prior to the first Date(s): day of the most recent Interest Period] [Not applicable]
  - Maximum Initial [Applicable/Not applicable] Price:
  - Minimum Initial [Applicable/Not applicable] Price:

- Lookback Period:  [Not applicable]
- (i) Final Price:
  - Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (j) Valuation Time:  [Not applicable]
- (k) Bonus Coupon:  [Applicable, ] [Not applicable]
- (l) Basket Return:  [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xxix) Best of/Worst of KI and Basket Performance Long – Type 3  [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2:
  - (d) Basket Floor:  [Applicable/Not applicable]
    - Minimum Basket Return:
  - (e) Participation Ratio:
  - (f) Participation Ratio 2:
  - (g) Participation Ratio 3:
  - (h) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (i) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]

- (j) Valuation Time:  [Not applicable]
- (k) Bonus Coupon:  [Applicable, ] [Not applicable]
- (l) Basket Return:  [Applicable/Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xxx) Locked Basket:  [Applicable/Not applicable]\*
  - (a) N: 
    - Minimum Basket Return:
  - (b) Participation Ratio:
  - (c) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (d) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (e) Valuation Time:  [Not applicable]
  - (f) Replacement Factor:  [Not applicable]
  - (g) Basket Participation: As specified in paragraph 57 below
- (xxxi) Individually Capped Basket:  [Applicable/Not applicable]\*
  - (a) N: 
    - Minimum Basket Return:
  - (b) Participation Ratio:
  - (c) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]

- Price:
- Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Maximum Performance: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 57 below
- (xxxii) Rainbow Basket: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (b) Participation Ratio: [ ]
- (c) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Valuation Time: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 57 below
- (xxxiii) Cliquet: [Applicable/Not applicable]\*
- (a) Participation Ratio: [ ]
- (b) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- applicable]
- Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (c) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (d) Valuation Time: [ ] [Not applicable]
- (e) Initial Coupon: [ ] [Not applicable]
- (f) Lock-in Level: [ ] [Not applicable]
- (g) Global Floor: [ ] [Not applicable]
- (h) Global Cap: [ ] [Not applicable]
- (i) Local Floor: [ ] [Not applicable]
- (j) Local Cap: [ ] [Not applicable]
- (k) Basket Participation: As specified in paragraph 57 below
- (xxxiv) Reverse Cliquet: [Applicable/Not applicable]\*
- (a) N: [ ]
  - (b) Participation Ratio: [ ]
  - (c) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (d) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]

- (e) Valuation Time:  [Not applicable]
- (f) Initial Coupon:  [Not applicable]
- (g) Lock-in Level:  [Not applicable]
- (h) Global Floor:  [Not applicable]
- (i) Global Cap:  [Not applicable]
- (j) Local Floor:  [Not applicable]
- (k) Local Cap:  [Not applicable]
- (l) Basket Participation: As specified in paragraph 57 below
- (xxxv) Replacement Cliquet: [Applicable/Not applicable]\*
- (a) N:
- (b) Fixed Period Basket Return:
- (c) Participation Ratio:
- (d) Initial Price:
- Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price:  [Applicable/Not applicable]
  - Minimum Initial Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (e) Final Price:
- Valuation Date(s):  [Not applicable]
  - Maximum Final Price:  [Applicable/Not applicable]
  - Minimum Final Price:  [Applicable/Not applicable]
  - Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (g) Initial Coupon:  [Not applicable]
- (h) Lock-in Level:  [Not applicable]
- (j) Global Floor:  [Not applicable]
- (j) Global Cap:  [Not applicable]
- (k) Local Floor:  [Not applicable]
- (l) Local Cap:  [Not applicable]
- (m) Basket Participation: As specified in paragraph 57 below
- (xxxvi) Reverse Convertible Structure Long – Type 1: [Applicable/Not applicable]\*

- (a) Basket Floor: [Applicable/Not applicable]  
- Minimum Basket Return: [ ]
- (b) Barrier Level: [ ]
- (c) Basket Strike Level: [ ]
- (d) Participation Ratio: [ ]
- (e) Initial Price:  
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]  
- Maximum Initial Price: [Applicable/Not applicable]  
- Minimum Initial Price: [Applicable/Not applicable]  
- Lookback Period: [ ] [Not applicable]
- (f) Basket Participation: As specified in paragraph 57 below
- (g) Final Price:  
- Valuation Date(s): [ ] [Not applicable]  
- Maximum Final Price: [Applicable/Not applicable]  
- Minimum Final Price: [Applicable/Not applicable]  
- Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 57 below
- (xxxvii) KI Reverse Convertible Structure Long– Type 2: [Applicable/Not applicable]\*
- (a) Basket Floor: [Applicable/Not applicable]  
- Minimum Basket Return: [ ]
- (b) Barrier Level 1: [ ]
- (c) Barrier Level 2: [ ]
- (d) Basket Strike Level: [ ]
- (e) Participation Ratio: [ ]
- (f) Initial Price:  
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]  
- Maximum Initial Price: [Applicable/Not applicable]

- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (g) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 57 below
- (xxxviii) Reverse Convertible Structure Short – Type 1: [Applicable/Not applicable]\*
  - (a) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (b) Barrier Level: [ ]
  - (c) Basket Strike Level: [ ]
  - (d) Participation Ratio: [ ]
  - (e) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (g) Valuation Time: [ ] [Not applicable]
  - (h) Basket Participation: As specified in paragraph 57 below
- (xxxix) KI Reverse Convertible Structure Short – Type 2: [Applicable/Not applicable]\*

- (a) Barrier Level 1: [ ]
- (b) Barrier Level 2: [ ]
- (c) Basket Strike Level: [ ]
- (d) Basket Floor: [Applicable/Not applicable]
  - Minimum Basket Return: [ ]
- (e) Participation Ratio: [ ]
- (f) Initial Price:
  - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (g) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Valuation Time: [ ] [Not applicable]
- (i) Basket Participation: As specified in paragraph 57 below
- (xl) Best of/Worst of Reverse Convertible Structure Long – Type 1: [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:

- Valuation Date(s):  [Not applicable]
- Maximum Final Price:  [Applicable/Not applicable]
- Minimum Final Price:  [Applicable/Not applicable]
- Lookback Period:  [Not applicable]
- (f) Valuation Time:  [Not applicable]
- (xli) KI Best of/Worst of Reverse Convertible Structure Long – Type 2: [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level 1:
  - (c) Barrier Level 2:
  - (d) Participation Ratio:
  - (e) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price:  [Applicable/Not applicable]
    - Minimum Initial Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (f) Final Price:
    - Valuation Date(s):  [Not applicable]
    - Maximum Final Price:  [Applicable/Not applicable]
    - Minimum Final Price:  [Applicable/Not applicable]
    - Lookback Period:  [Not applicable]
  - (g) Valuation Time:  [Not applicable]
- (xlii) Best of/Worst of Reverse Convertible Structure Short – Type 1: [Applicable/Not applicable]\*
  - (a) N:
  - (b) Barrier Level:
  - (c) Participation Ratio:
  - (d) Initial Price:
    - Initial Valuation Date(s):  the day falling  Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (xliv) KI Best of/Worst of Reverse Convertible Structure Short – Type 2: [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Barrier Level 1: [ ]
  - (c) Barrier Level 2: [ ]
  - (d) Participation Ratio: [ ]
  - (e) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (f) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (g) Valuation Time: [ ] [Not applicable]
- (xlv) Basket Up and In Long [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
  - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Basket Participation: As specified in paragraph 57 below
- (xlv) Basket Up and Out Long [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]

- Price:
- Lookback Period:  [Not applicable]
  - (f) Valuation Time:  [Not applicable]
  - (g) Rebate:  [Not applicable]
  - (h) Basket Participation: As specified in paragraph 57 below
  - (xlvi) Best of/Worst of Up and In Long  [Applicable/Not applicable]\*
    - (a) Basket Return  [Applicable/Not applicable]
    - (b) Nth best performing Reference Asset Return  [Applicable/Not applicable]
    - (c) N:  [ ]
    - (d) Barrier Level:  [ ]
    - (e) Basket Floor:  [Applicable/Not applicable]
      - Minimum Basket Return:  [ ]
    - (f) Participation Ratio:  [ ]
    - (g) Initial Price:
      - Initial Valuation Date(s):  [ ] the day falling  [ ] Business Days prior to the first day of the most recent Interest Period]  [Not applicable]
      - Maximum Initial Price:  [Applicable/Not applicable]
      - Minimum Initial Price:  [Applicable/Not applicable]
      - Lookback Period:  [ ] [Not applicable]
    - (h) Final Price:
      - Valuation Date(s):  [ ] [Not applicable]
      - Maximum Final Price:  [Applicable/Not applicable]
      - Minimum Final Price:  [Applicable/Not applicable]
      - Lookback Period:  [ ] [Not applicable]
    - (i) Valuation Time:  [ ] [Not applicable]
    - (j) Basket Participation: As specified in paragraph 57 below
  - (xlvii) Best of/Worst of Up and Out Long  [Applicable/Not applicable]\*
    - (a) Basket Return  [Applicable/Not applicable]
    - (b) Nth best performing Reference Asset Return  [Applicable/Not applicable]
    - (c) N:  [ ]
    - (d) Barrier Level:  [ ]

- (e) Basket Floor: [Applicable/Not applicable]
  - Minimum Basket Return: [ ]
- (f) Participation Ratio: [ ]
- (g) Initial Price:
  - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
  - Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (h) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (i) Valuation Time: [ ] [Not applicable]
- (j) Rebate: [ ] [Not applicable]
- (k) Basket Participation: As specified in paragraph 57 below
- (xlviii) Worst of Down and Out Basket Long [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]

- Maximum Final [Applicable/Not applicable]  
Price:
- Minimum Final [Applicable/Not applicable]  
Price:
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Rebate: [ ] [Not applicable]
- (h) Basket Participation: As specified in paragraph 57 below
- (xlix) Down and Out Basket Long [Applicable/Not applicable]\*
  - (a) Barrier Level: [ ]
  - (b) Basket Floor: [Applicable/Not applicable]
    - Minimum Basket [ ]  
Return:
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first  
Date(s): day of the most recent Interest Period] [Not  
applicable]
    - Maximum Initial [Applicable/Not applicable]  
Price:
    - Minimum Initial [Applicable/Not applicable]  
Price:
    - Lookback Period: [ ] [Not applicable]
  - (e) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final [Applicable/Not applicable]  
Price:
    - Minimum Final [Applicable/Not applicable]  
Price:
    - Lookback Period: [ ] [Not applicable]
  - (f) Valuation Time: [ ] [Not applicable]
  - (g) Rebate: [ ] [Not applicable]
  - (h) Basket Participation: As specified in paragraph 57 below
- (l) Best of/Worst of Call Option [Applicable/Not applicable]\*
  - (a) N: [ ]
  - (b) Minimum Basket Return: [ ]
  - (c) Participation Ratio: [ ]
  - (d) Initial Price:
    - Initial Valuation [ ] the day falling [ ] Business Days prior to the first  
day of the most recent Interest Period] [Not

- Date(s): applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
  - Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (li) Outperformance Option: [Applicable/Not applicable]\*
  - (a) Participation Ratio: [ ]
  - (b) Initial Price:
    - Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
    - Maximum Initial Price: [Applicable/Not applicable]
    - Minimum Initial Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (c) Final Price:
    - Valuation Date(s): [ ] [Not applicable]
    - Maximum Final Price: [Applicable/Not applicable]
    - Minimum Final Price: [Applicable/Not applicable]
    - Lookback Period: [ ] [Not applicable]
  - (d) Valuation Time: [ ] [Not applicable]
  - (e) Maximum Payout: [ ] [Not applicable]
  - (f) Bonus Coupon: [Applicable, [ ]] [Not applicable]
  - (g) Long Basket:
    - Basket Floor: [Applicable/Not applicable]
    - Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ] [Not applicable]
[ ]	[ ] [Not applicable]
[ ]	[ ] [Not applicable]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

(h) Short Basket:

- Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]

[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation:

[Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation:

[Applicable/Not applicable]

<i>Reference Asset (Interest)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s):

[ ] [Not applicable]

(lii) Series of Digitals:

[Applicable/Not applicable]\*

(a) Barrier Level:

[ ]

(b) Valuation Date:

[ ]

(liii) Delta 1:

[Applicable/Not applicable]\*

(a) Scheduled Maturity Date:

[ ]

- (b) Fee Amount: [ ]
- (c) Back Stop Date: [ ]
- (liv) Bearish One Touch Structure 2 – [Applicable/Not applicable]\*  
Type 1:
- (a) Barrier Level: [ ]
- (b) Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]
- Maximum Initial Price: [Applicable/Not applicable]
- Minimum Initial Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
- Maximum Final Price: [Applicable/Not applicable]
- Minimum Final Price: [Applicable/Not applicable]
- Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Coupon: [ ]

Coupon	Interest Period
[ ]	[ ]
[ ]	[ ]

- (lv) Bearish One Touch Structure 2 – [Applicable/Not applicable]\*  
Type 2:
- (a) Barrier Level: [ ]
- Basket Floor: [Applicable/Not applicable]
- (b) Minimum Basket Return: [ ]
- (c) Participation Ratio: [ ]
- (d) Initial Price:
- Initial Valuation Date(s): [ ] the day falling [ ] Business Days prior to the first day of the most recent Interest Period] [Not applicable]

- Maximum Initial Price: [Applicable/Not applicable]
  - Minimum Initial Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (e) Final Price:
- Valuation Date(s): [ ] [Not applicable]
  - Maximum Final Price: [Applicable/Not applicable]
  - Minimum Final Price: [Applicable/Not applicable]
  - Lookback Period: [ ] [Not applicable]
- (f) Valuation Time: [ ] [Not applicable]
- (g) Strike Level: [ ]
- (h) Coupon: [ ]

Coupon	Interest Period
[ ]	[ ]
[ ]	[ ]

(Ivi) Non-Tranched CLN: [Applicable/Not applicable]\*

Reference Entity	Reference (Principal)	Entit(y)(ies)	Reference Entity	Credit Events	Basket Participation	Reference Obligation
[ ]			[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[1] [ ]	[ ]
[ ]			[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]	[ ]
[ ]			[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]	[ ]

[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]

- (b) Accelerated Payment: CLN [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount: [ ]
- (d) Restructuring Amount: [ ]
- (e) Obligation Acceleration Amount: [ ]
- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) Portfolio Exposure: [ ]
- (i) Target Redemption Amount: [ ]
- (j) Observation Start Date: [ ]
- (k) Observation End Date: [ ]
- (l) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (m) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (n) Back Stop Date: [ ]

- (lvii) Tranched CLN: [Applicable/Not applicable]\*

(a) Reference Entity (Principal)	Entit(y)(ies)	Reference Entity (Principal)	Credit Events	Basket Participation	Reference Obligation
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[1] [ ]	[ ]
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring]	[ ]	[ ]

	[Obligation Acceleration] [Governmental Intervention]		
[[ ]]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]]	[[ ]]

[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]

- (b) Accelerated CLN Payment: [Applicable/Not applicable]
- (c) Potential Repudiation Moratorium Amount: [ ]
- (d) Restructuring Amount: [ ]
- (e) Obligation Acceleration Amount: [ ]
- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) Portfolio Exposure: [ ]
- (i) Target Redemption Amount: [ ]
- (j) Tranche Attachment Point: [ ]
- (k) Tranche Detachment Point: [ ]
- (l) Observation Start Date: [ ]
- (m) Observation End Date: [ ]
- (n) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (o) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (p) Back Stop Date: [ ]

(lviii) Nth to Default CLN: [Applicable/Not applicable]\*

(a) Reference (Principal)	Entities	Reference Entity	Credit Events	Reference Obligation
		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]
		[[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[[ ]
		[[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/ moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[[ ]

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

(b) Accelerated Payment: CLN [Applicable/Not applicable]

(c) Potential Repudiation Moratorium Amount: [ ]

(d) Restructuring Amount: [ ]

(e) Obligation Acceleration Amount: [ ]

(f) Failure to Pay Amount: [ ]

(g) Governmental Intervention Requirement: [ ]

(h) N: [ ]

(i) Portfolio Exposure: [ ]

(j) Target Redemption Amount: [ ]

(k) Observation Start Date: [ ]

(l) Observation End Date: [ ]

(m) Fixed Recovery Value: [ ] [Not applicable]

<b>[Fixed Recovery Value]</b>	<b>[Reference Entity (Principal)]</b>
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

(n) Market Recovery Value: [Applicable/Not applicable]

<b>[Market Recovery Value]</b>	<b>[Reference Entity (Principal)]</b>
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

(o) Back Stop Date: [ ]

(lix) Nth and Nth + 1 to Default CLN: [Applicable/Not applicable]\*

Reference Entity (Principal)	Entities	Reference Entity	Credit Events	Reference Obligation
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]
[ ]		[ ]	[Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]	[ ]

*[N.B. – Repudiation/moratorium is only for Sovereign Reference Entities and Obligation Acceleration is only for east European and central Asian Sovereigns]*

(b) Accelerated Payment: CLN [Applicable/Not applicable]

(c) Potential Repudiation Moratorium Amount: [ ]

(d) Restructuring Amount: [ ]

(e) Obligation Acceleration Amount: [ ]

- (f) Failure to Pay Amount: [ ]
- (g) Governmental Intervention Requirement: [ ]
- (h) N: [ ]
- (i) Portfolio Exposure: [ ]
- (j) Target Redemption Amount: [ ]
- (k) Observation Start Date: [ ]
- (l) Observation End Date: [ ]
- (m) Fixed Recovery Value: [ ] [Not applicable]

[Fixed Recovery Value]	[Reference Entity (Principal)]
[ ] [Not applicable]	[ ]
[ ] [Not applicable]	[ ]

- (n) Market Recovery Value: [Applicable/Not applicable]

[Market Recovery Value]	[Reference Entity (Principal)]
[Applicable/Not applicable]	[ ]
[Applicable/Not applicable]	[ ]

- (o) Back Stop Date: [ ]
- (lx) Physically Settled CLN: [Applicable/Not applicable]\*
  - (a) Reference Entity: [ ]
  - (b) Credit Events: [Failure to Pay] [Bankruptcy] [Repudiation/moratorium] [Restructuring] [Obligation Acceleration] [Governmental Intervention]
  - (c) Reference Obligation: [ ]
  - (d) Potential Repudiation Moratorium Amount: [ ]
  - (e) Restructuring Amount: [ ]
  - (f) Obligation Acceleration Amount: [ ]
  - (g) Failure to Pay Amount: [ ]
  - (h) Governmental Intervention Requirement: [ ]
  - (i) Observation Start Date: [ ]
  - (j) Observation End Date: [ ]

30. **Applicable Redemption Basis modifier(s) :**

- (i) Maximum Redemption Amount: [Applicable *[where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)], the Maximum Redemption Percentage is [ ] per cent.]*  
[Not applicable]
- (ii) Minimum Redemption Amount: [Applicable *[where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)], the Minimum Redemption Percentage is [ ] per cent.]*  
[Not applicable]
- (iii) Inflation-Protected Principal: [Applicable *[where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]]*  
[Not applicable]\*
- (a) Inflation Index: [ ]
- (b) Inflation Index Sponsor: [ ]
- (c) Related Bond [ ]
- (d) Fallback Bond [ ]
- (e) Initial Valuation Date: [ ]
- (f) Valuation Date: [ ]
- (g) Cut-off Date [ ] *[N.B. 5 Business Days should be default]*
- (iv) FX Components (Redemption) [Applicable – [Bullish FX Return – Type 1] [Bullish FX Return – Type 2] [Bearish FX Return – Type 1] [Bearish FX Return – Type 2]] [Not applicable]  
*[where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]]* [Not applicable]\*
- (a) FX Rate: [ ]
- (b) Strike Level: [ ]
- (c) Initial FX Valuation Date: [ ]
- (d) FX Valuation Date(s): [ ]
- (v) Best of/Worst of Modifier: [Applicable *[where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]]*  
[Not applicable]\*
- N: [ ]
- (vi) Outperformance Modifier: [Applicable *[where ‘Combination of Structures’ is applicable: to [insert relevant redemption basis(s)]]*  
[Not applicable]\*
- (a) Long Basket:
- Basket Floor: [Applicable/Not applicable]
- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

(b) Short Basket:

- Basket Floor: [Applicable/Not applicable]

- Minimum Basket Return: [ ]

- Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

- Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]

[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

- Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Rebalancing Date(s): [ ] [Not applicable]

31. **Combination of structures (Redemption):** [Applicable. The applicable Redemption Bases are [ ] and [ ]] [Not applicable]

<b>Redemption Basis:</b>	<b>Redemption Performance Percentage (%):</b>
[ ]	[ ]

[ ]	[ ]
[ ]	[ ]

32. **Provisions relating to Fund-Linked Notes:** [Applicable/Not applicable]\*
- (i) Fund: [ ] [Not applicable]
- (ii) Fund Manager: [ ] [Not applicable]
- (iii) Back Stop Date: [ ] [Not applicable]

33. **Partly Paid Note Provisions** [Applicable/Not applicable]\*
- (i) Part Payment Amount(s): [ ]
- (ii) Part Payment Date(s): [ ]

34. **Instalment Redemption** [Applicable/Not applicable]\*

<i>Instalment Date</i>	<i>Instalment Amount</i>
[ ]	[[ ] per Calculation Amount]
[ ]	[[ ] per Calculation Amount]

35. **Issuer Call** [Applicable ([in whole/in part])/Not applicable]\*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note: [[ ] per/[ ] per cent. of the] Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Optional Redemption Amount: [[ ] per Calculation Amount/Not applicable]
- (b) Higher Optional Redemption Amount: [[ ] per Calculation Amount/Not applicable]
- (iv) Notice periods for Issuer Call:
- (a) Minimum number of days' notice: [ ] days
- (b) Maximum number of days' notice: [ ] days

*[N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and the Principal Paying Agent/Registrar]*

36. **Investor Put** [Applicable ([in whole/in part])/Not applicable]\*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note: [[ ] per/[ ] per cent. of the] Calculation Amount
- (iii) Notice periods for Investor Put:

- (a) Minimum number of days' notice: [ ] days
- (b) Maximum number of days' notice: [ ] days

*[N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example as between the Issuer and the Principal Paying Agent/Registrar]*

37. Early Redemption of Notes with Autocall Redemption Basis: [Applicable/Not applicable]\*
- (i) Bullish Autocall Condition –Type 1 [Applicable/Not applicable]  
- Valuation Time: [ ] [each Valuation Date]
- (ii) Bullish Autocall Condition –Type 2 [Applicable/Not applicable]
- (iii) Bullish Autocall Condition –Type 3 [Applicable/Not applicable]
- (iv) Range Autocall Condition –Type 1 [Applicable/Not applicable]  
- Valuation Time: [ ] [each Valuation Date]
- (v) Range Autocall Condition –Type 2 [Applicable/Not applicable]
- (vi) Range Autocall Condition –Type 3 [Applicable/Not applicable]
- (vii) Bearish Autocall Condition –Type 1 [Applicable/Not applicable]  
- Valuation Time: [ ] [each Valuation Date]
- (viii) Bearish Autocall Condition –Type 2 [Applicable/Not applicable]
- (ix) Bearish Autocall Condition –Type 3 [Applicable/Not applicable]
- (x) Autocall Type: [Basket/Reference Asset/[Nth] best performing Reference Asset]
- (xi) Autocall Barrier Level(s): [ ] [and [ ]]
- (xii) Autocall Range(s): [ ]
- (xiii) Autocall Valuation Date(s): [ ] [each Valuation Date]
- (xiv) Valuation Period: [ ]
- (xv) Valuation Time: [ ]
38. Target Redemption Condition: [Applicable/Not applicable]\*
- (i) Target Payment Amount: [ ] per Calculation Amount
- (ii) Final Interest Payment Type: [Type One] [Type Two]
39. Deduction of Unwind Amount on Early Redemption: [Applicable/Not applicable]

**PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY**

**EVENTS.**

40. Market Disruption - General: [Applicable/Not applicable]\*  
Exchange Business Day Convention: [ ]
41. Market Disruption Commodity: [Applicable/Not applicable]\*  
Exchange Business Day Convention: [ ]
42. Disruption Currency: [Applicable/Not applicable]
43. Calculation Adjustment: [Applicable/Not applicable]
44. Corrections: [Applicable/Not applicable]
45. Correction Commodity: [Applicable/Not applicable]
46. Correction Currency: [Applicable/Not applicable]
47. Extraordinary Events - General: [Applicable/Not applicable]
48. Relevant Exchange: [As specified for each Reference Asset in items 27 and 56] Not applicable]]
49. Options and Futures Exchange: [As specified for each Reference Asset in items 27 and 56] Not applicable]]
50. Scheduled Trading Day: [[ ] [Not applicable]]
51. Additional Disruption Events: [Applicable/Not Applicable]
- Change In Law: [Applicable/Not applicable]
- Hedging Disruption: [Applicable/Not applicable]
- Increased Costs of Hedging: [Applicable/Not applicable]
52. Additional Conditions for Fund-Linked Notes: [Applicable/Not applicable]
53. Additional Conditions for Inflation-Linked Notes - Additional Disruption Events: [Applicable/Not applicable]\*
- (i) Change In Law: [Applicable/Not applicable]
- (ii) Hedging Disruption: [Applicable/Not applicable]
- (iii) Increased Costs of Hedging: [Applicable/Not applicable]
54. Additional Conditions for Equity-Linked Notes [Applicable/Not applicable]\*
- (i) Depository Receipt provisions: [Applicable/Not applicable]
- (a) Details of Depository Receipt: [Specify name and ISIN Code]
- (b) Reference Asset: [ ]
- (c) Reference Entity: [ ]
- (d) Share Exchange: [ ]
- (ii) Exchange Business Day: [Exchange Business Day (Single Reference Asset Basis)/Exchange Business Day (All Reference Assets Basis)/Exchange Business Day (Per Reference Asset Basis)/Exchange Business Day (Combination Structures Basis)]

(iii)	Scheduled Trading Day:	[Scheduled Trading Day (Single Reference Asset Basis)/Scheduled Trading Day (All Reference Assets Basis)/Scheduled Trading Day (Per Reference Asset Basis)/Scheduled Trading Day (Combination Structures Basis)]
(iv)	Dividend Amount:	[Record Amount/Ex Amount/Paid Amount]
(v)	Dividend Payment Date:	[ ] [As per the Additional Conditions for Equity-Linked Notes]
(vi)	Dividend Period:	[First Period/Second Period]
(vii)	Excess Dividend Amount:	[Extraordinary Dividend Record Amount/Extraordinary Dividend Ex Amount/Extraordinary Dividend Paid Amount]
(viii)	Extraordinary Dividend:	[ ]
(ix)	Initial Stock Loan Rate:	[ ]
(x)	Maximum Stock Loan Rate	[ ]
(xi)	Specified Maximum Days of Disruption:	[ ] Scheduled Trading Days <i>[N.B. 8 days is default]</i>
(xii)	Settlement Price:	[Initial Price/Closing Price] [Start Price] [Final Price]
(xiii)	Extraordinary Events:	
	(a) Tender Offer:	[Applicable/Not applicable]
	(b) Reference Asset Substitution:	[Applicable/Not applicable]
	(c) De-Merger:	[Applicable/Not applicable]
	(d) Participation Event:	[Applicable/Not applicable]
	(e) Illiquidity:	[Applicable/Not applicable]
(xiv)	Additional Disruption Events:	
	(a) Analogous Event	[Applicable/Not applicable]
	(b) Change in Law:	[Applicable/Not applicable]
	(c) Currency Event:	[Applicable/Not applicable]
	(d) Failure to Deliver:	[Applicable/Not applicable]
	(e) Hedging Disruption:	[Applicable/Not applicable]
	(f) Increased Costs of Hedging:	[Applicable/Not applicable]
	(g) Force Majeure Event:	[Applicable/Not applicable]
	(h) Increased Cost of Stock Borrow:	[Applicable/Not applicable]
	(i) Insolvency Filing:	[Applicable/Not applicable]
	(j) Jurisdiction Event:	[Applicable/Not applicable]
	(k) Loss of Stock Borrow:	[Applicable/Not applicable]
	(l) Termination (Depository	[Applicable/Not applicable]

Receipts only):

- (m) Adjustment Event [Applicable/Not applicable]  
 Depository Receipts only):
55. Additional Conditions for Index-Linked Notes and ETF Notes: [Applicable/Not applicable]\*
- (i) Related Index: [ ]  
 - Index Sponsor: [ ]
- (ii) Exchange Business Day: [Exchange Business Day (Single Index Basis)/Exchange Business Day (All Indices Basis)/Exchange Business Day (Per Index Basis)/Exchange Business Day (Combination Structures Basis)]
- (iii) Scheduled Trading Day: [Scheduled Trading Day (Single Index Basis)/Scheduled Trading Day (All Indices Basis)/Scheduled Trading Day (Per Index Basis)/Scheduled Trading Day (Combination Structures Basis)]
- (iv) Specified Maximum Days of Disruption: [ ] Scheduled Trading Days [*N.B. 8 days is default*]
- (v) Additional Disruption Events:
- (a) Change In Law: [Applicable/Not applicable]
- (b) Hedging Disruption: [Applicable/Not applicable]
- (c) Increased Costs of Hedging: [Applicable/Not applicable]
- (d) Increased Cost of Stock Borrow: [Applicable/Not applicable]
- (e) Loss of Stock Borrow: [Applicable/Not applicable]
- (f) Merger Event: [Applicable/Not applicable]
- (g) Tender Offer: [Applicable/Not applicable]
- (h) Nationalisation: [Applicable/Not applicable]
- (i) Insolvency: [Applicable/Not applicable]
- (j) De-listing: [Applicable/Not applicable]
- (k) ETF Event [Applicable/Not applicable]

**PROVISIONS RELATING TO THE REFERENCE ASSETS (PRINCIPAL)**

56. Reference Asset(s) (Principal): [Applicable/Not applicable]\*
- | <i>Reference Asset (Principal)</i> | <i>Relevant Exchange</i> | <i>Stock Exchange and Options or Futures Exchange</i> | <i>Strike Level</i> | <i>Source for past and future performance data</i> | <i>Maximum Performance:</i> |
|------------------------------------|--------------------------|---|---------------------|--|-----------------------------|
| [ ]                                | [ ]                      | [ ] Exchanges]  | [All [ ]            | [ ]  | [ ]                         |
| [ ]                                | [ ]                      | [ ] Exchanges]  | [All [ ]            | [ ]  | [ ]                         |
57. Basket Participation: [Applicable/Not applicable]

(i) Fixed Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(ii) Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

(iii) Replacement Cliquet Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>
[ ]
[ ]
[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- Fixed Reference Asset Return: [ ]

(iv) Momentum Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Basket Participation</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Rebalancing Performance of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- (v) Accumulating Rainbow Basket Participation: [Applicable/Not applicable]

<i>Reference Asset (Principal)</i>	<i>Initial Ranking</i>
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

<i>Ranking of Reference Asset Return of Reference Asset (Principal) (best performing first)</i>	<i>Basket Participation</i>
1	[ ]
2	[ ]
[3]	[ ]

- (vi) Rebalancing Date(s): [ ] [Not applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

58. Form of Notes:

[Bearer Notes (other than Interbolsa Notes):

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]](N.B. Temporary Global Note required unless TEFRA C applies or TEFRA not applicable)

(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves.)

(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note

exchangeable for Definitive Notes.)<sup>11</sup>

[Registered Notes]

[Dematerialised book-entry form registered Notes (Interbolsa Notes)]

[Dematerialised book-entry form bearer Notes (Interbolsa Notes)]

[(nominal amount)] registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg].

59. New Global Note: [Yes] [No]
60. Additional Financial Centre(s) relating to payment dates: [ ] [Not applicable]
61. Calculation Agent: [ ] [Not applicable]
62. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No]
63. Clearing System: [Euroclear/[ ]Clearstream, Luxembourg/[ ]/[ ]Interbolsa]
64. Additional terms or conditions: [Not applicable/give details]

#### **RESPONSIBILITY**

The Issuer [and Haitong Bank, S.A. (in the case where Haitong Investment Ireland p.l.c. is the Issuer)] accepts responsibility for the information contained in this Pricing Supplement. [Relevant third party information] has been extracted from [specify source]. 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 [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By

*Duly authorised*

[Signed on behalf of Haitong Bank:

By

*Duly authorised]*

#### **[KEEP WELL AGREEMENT**

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<sup>11</sup> Delete if the Notes are being issued in registered form.

Haitong Bank hereby confirms that the Keep Well Agreement executed on [•] (as amended and/or supplemented and/or restated from time to time) will apply in relation to the Notes of this Series.

Signed on behalf of Haitong Bank:

By

*Duly authorised]*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Insert Listing/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Global Exchange Market/other] with effect from [ ].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Global Exchange Market/other] with effect from [ ].]  
[Not applicable.] [Delete as applicable]  
*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

### 2. RATINGS

- [The Notes to be issued are not rated.]  
[The Notes to be issued [[have been] [are expected to be]] rated [ ] by [Standard & Poor's Credit Market Services Europe Limited] [Moody's Investors Service Ltd.] [Fitch Ratings Limited].  
*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating)*  
[Standard & Poor's Credit Market Services Europe Limited is established in the EU and registered under Regulation (EC) No 1060/2009.]  
[Moody's Investors Service Ltd. is established in the EU and registered under Regulation (EC) No 1060/2009.]  
[Fitch Ratings Limited is established in the EU and registered under Regulation (EC) No 1060/2009.]

### 3. 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"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.] *(Amend as appropriate if there are other interests)*

### 4. [Fixed Rate Notes only – YIELD

Indication of yield: [ ]

### 5. [Floating Rate Notes only – HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters/Bloomberg].]

### 6. [Index-linked or other variable-linked notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

In respect of [the/each] Reference Asset, information in respect of the past and future performance thereof may be obtained from the source specified in items [27] and [56] of Part A of this Pricing Supplement.

7. **OPERATIONAL INFORMATION**

- ISIN Code:
- Common Code:
- Names and addresses of additional Paying Agent(s) (if any):
- [Intended to be held in a manner which would allow Eurosystem eligibility:  [Yes]  [No]

[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

8. **DISTRIBUTION**

- (i) Method of distribution:  [Syndicated/Non-syndicated]
- (ii) If syndicated:  [Not applicable]
- (a) Names and addresses of Managers and underwriting commitments:
- (b) Date of subscription agreement:
- (c) Stabilising Manager(s) (if any):  [Not applicable/[ ]]
- (iii) If non-syndicated, name and address of Dealer:  [Not applicable]
- (a) Name and address of Dealer:
- (b) Date of subscription agreement:
- (iv) Delivery:  Delivery [against/free of] payment
- (v) Indication of the overall amount of the underwriting commission and of  per cent. of the Aggregate Nominal Amount

the placing commission:

(vi)

U.S. Selling Restrictions:

[TEFRA C/TEFRA D]

## TERMS AND CONDITIONS OF THE NOTES

*The following Terms and Conditions of the Notes, together with the Additional Conditions (as defined below), are the terms and conditions (collectively referred to herein as the "**Conditions**") which will be incorporated by reference into each Interbolsa Note (as defined below), each Global Note (as defined below), each Global Certificate (as defined below), each Definitive Note and each Registered Certificate (as defined below), in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Relevant Issuer and the Relevant Dealer at the time of issue. Nevertheless, if not so permitted and agreed, such Definitive Note or Registered Certificate will have endorsed thereon or attached thereto such Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes (as defined below) may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the following Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note, each Global Certificate, Definitive Note and Registered Certificate and will be incorporated into and applicable to each Interbolsa Note. In the case of Non-Exempt Notes (as defined below), reference should be made to the "applicable Final Terms" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes. References in these Conditions to "Final Terms" or "Pricing Supplement" shall be deemed to be references to a Tranche of Notes issued pursuant to this Offering Circular, and references to "Final Terms" shall be deemed to also include a reference to "Pricing Supplement" where relevant.*

This Note is one of a Series (as defined below) of Notes issued by Haitong Investment Ireland p.l.c. ("**HIIP**") or Haitong Bank, S.A. ("**Haitong Bank**") acting through its head office or its London branch constituted, except in the case of Interbolsa Notes (as defined below), by a trust deed dated 23 April 1999 (as modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") made between HIIP (formerly Espírito Santo Investment p.l.c. ("**ESIP**")), Haitong Bank (formerly Banco Espírito Santo de Investimento, S.A. ("**BESI**")) (in its capacity as issuer and, in the case of HIIP Notes, as provider of a Keep Well Agreement (as defined below)) and Citicorp Trustee Company Limited (the "**Trustee**", which expression shall include any successor as trustee). Interbolsa Notes are constituted by entries in the individual securities accounts opened by Noteholders with the Affiliate Members of Interbolsa (as defined below).

References herein to the Issuer shall be references to the party specified as such in the applicable Final Terms.

References herein to the Notes shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a "**Global Note**") or a registered global certificate (a "**Global Certificate**"), units of the lowest Specified Denomination in the Specified Currency;
- (ii) any Bearer Notes (as defined below) in definitive form ("**Definitive Notes**") issued in exchange for a Global Note;
- (iii) any Global Note;
- (iv) any Registered Notes in definitive form (as defined below) represented by registered certificates ("**Registered Certificates**") in definitive form;
- (v) any Global Certificate; and
- (vi) Notes held through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A ("**Interbolsa**") (each an "**Interbolsa Note**").

The Notes (other than Interbolsa Notes), the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an agency agreement dated 23 April 1999 (as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and made between HIIP, Haitong Bank (in its capacity as issuer and, in the case of HIIP Notes, as provider of a keep well agreement), the Trustee, Citibank, N.A., London branch as issuing and principal paying agent (the "**Agent**", which expression shall include any successor agent specified in the applicable Final Terms), Citigroup Global Markets Deutschland AG as registrar ("**Registrar**"), paying agent, transfer agent ("**Transfer Agent**"), and agent bank and the other paying agents and transfer agents named therein. The Interbolsa Notes have the benefit of the Agency Agreement (as amended and/or supplemented and/or restated from time to time, the "**Interbolsa Notes Agency Agreement**") dated 21 2016

made among the Issuers, the Trustee, the Agent, Haitong Bank acting as paying agent in Portugal (the "**Portuguese Paying Agent**" which expression shall include any successor Portuguese paying agent) and the other paying agents named therein (together with the Agent, the Portuguese Paying Agent and the other paying agents named in the Agency Agreement, the "**Paying Agents**", which expression shall include any additional or successor paying agents) and of the common representative appointment agreement from time to time in force (as amended and/or supplemented and/or restated from time to time, the "**Common Representative Appointment Agreement**") made between Haitong Bank, as issuer, and António Frutuoso de Melo e Associados - Sociedade de Advogados, RL as common representative of the holders of Interbolsa Notes (*representante comum dos obrigacionistas*) (the "**Common Representative**") appointed in accordance with article 358 of the Portuguese Commercial Companies Code and pursuant to the Common Representative Appointment Agreement dated 21 June 2016. HIIP has the benefit of a Keep Well Agreement dated 21 June 2016 (as amended and/or supplemented and/or restated from time to time, the "**Keep Well Agreement**") made between HIIP and Haitong Bank.

The Trustee acts for the benefit of the holders for the time being of the Notes, other than Interbolsa Notes (the "**Noteholders**", which expression shall, in relation to any Notes represented by a Global Note or a Global Certificate, be construed as provided below), the holders of the Receipts (the "**Receiptholders**") and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed. The Common Representative acts for the benefit of the holders for the time being of the Interbolsa Notes.

Interest bearing Definitive Notes have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. None of the Interbolsa Notes, Global Notes or Global Certificates have Receipts, Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to, endorsed on or incorporated into this Note which supplement these Conditions (the "**Conditions**", which term shall include one or more of the sets of Additional Conditions annexed hereto (each, "**Additional Conditions**") if specified as applicable herein and/or in such Final Terms) and, if the Note is neither admitted to trading on a regulated market of the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (an "**Exempt Note**"), may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of such Note. The expression "**Prospectus Directive**" means Directive 2003/71/EC, as amended (which includes, *inter alia*, the amendments made by Directive 2010/73/EU). Any references to a "**Non-Exempt Note**" are to a Note that is not an Exempt Note. References to the "**applicable Final Terms**" are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. Any reference to the "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean (i) in the case of Bearer Notes (other than Interbolsa Notes), the holders of the Global Notes and Definitive Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below, (ii) in the case of Registered Notes, the person in whose name a Registered Note is registered and shall, in relation to any Notes represented by a Global Certificate, be construed as provided below or (iii) in the case of Interbolsa Notes, each person shown in the book-entry records of a financial institution, which is licensed to act as a financial intermediary under the Portuguese Securities Code (*Código dos Valores Mobiliários*) (the "**Portuguese Securities Code**") and which is entitled to hold control accounts with Interbolsa on behalf of their customers (and includes any depositary banks appointed by Euroclear and/or Clearstream, Luxembourg for the purpose of holding accounts on behalf of Euroclear and/or Clearstream, Luxembourg) (each such institution an "**Affiliate Member of Interbolsa**"), as having an interest in the principal amount of the Interbolsa Notes.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing, admission to trading, Issue Date, Interest Commencement Date and Issue Price) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed, the Agency Agreement, and the Keep Well Agreement (the “**English Law Documents**”) and the applicable Final Terms are available for inspection during normal business hours at the office of the Trustee (at 14<sup>th</sup> Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom). Copies of the Interbolsa Notes Agency Agreement and the Common Representative Appointment Agreement (the “**Portuguese Law Documents**”) and the applicable Final Terms are available for inspection during normal business hours at the office of the Common Representative (at Avenida da Liberdade, 38, 1<sup>st</sup> floor, 1250-145 Lisbon, Portugal). The English Law Documents, the Portuguese Law Documents and the applicable Final Terms will be available for inspection during normal business hours at the specified office of each of the Agent and the other Paying Agents and at the registered office of the Issuer. If a Note is to be admitted to trading on the regulated market of the Irish Stock Exchange, the London Stock Exchange or NYSE Euronext Lisbon, the applicable Final Terms will be published on the website of the Irish Stock Exchange, the London Stock Exchange or the NYSE Euronext Lisbon (in the case of the London Stock Exchange, through a regulatory information service). If a Note is not so listed but is not an Exempt Note, the applicable Final Terms will be published on the website of the Central Bank of Ireland ([www.centralbank.ie](http://www.centralbank.ie)) as the competent authority of the home member state for such Note. If a Note is an Exempt Note, the applicable Pricing Supplement will only be available for inspection by a Noteholder and such Noteholder must produce evidence satisfactory to the Trustee or the relevant Paying Agent as to its holding of Notes and as to its identity. In the case of Bearer Notes and Registered Notes (other than Interbolsa Notes) the Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are binding on them. In the case of Interbolsa Notes, the respective Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement which are applicable to them, to the extent not amended by the Interbolsa Notes Agency Agreement and/or by the applicable Final Terms.

Words and expressions defined in the Trust Deed or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the Trust Deed, the Agency Agreement will prevail in respect of Interbolsa Notes and the Trust Deed will prevail in all other cases and, in the event of inconsistency between the Agency Agreement or the Trust Deed and the applicable Final Terms, the applicable Final Terms will prevail.

In these Conditions the following definitions shall apply:

<b>Absolute Value</b>	in respect of any number or value, the non-negative value thereof;
<b>Accrual Period</b>	each successive period from (and including) an Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the next following Interest Payment Date;
<b>Accrual Yield</b>	as specified in the applicable Final Terms;
<b>Additional Financial Centre(s)</b>	the city or cities specified as such in the applicable Final Terms;
<b>Affected Reference Asset</b>	a Reference Asset (Interest) or Reference Asset (Principal) that is affected by one or more of Market Disruption, Market Disruption Commodity, Disruption, Calculation Adjustment, Corrections, Extraordinary Events, Change in Law or Increased Cost of Hedging. If a Reference Asset (Interest) or Reference Asset (Principal) is constituted by a basket of underlying assets, Market Disruption, Market Disruption Commodity, Disruption, Calculation Adjustment, Corrections, Extraordinary Events, Change in Law or Increased Cost of Hedging shall be deemed to have occurred only for such underlying asset or assets which are affected;
<b>Applicable Banking Regulations</b>	at any time, the regulations, requirements, guidelines and policies relating to capital adequacy of the Regulator and/or of the European Parliament or of the Council of the European Union then in effect in Portugal;
<b>Autocall Barrier Level(s)</b>	as specified in the applicable Final Terms;

<b>Back Stop Date</b>	as specified in the applicable Final Terms;
<b>Barrier Level</b>	as specified in the applicable Final Terms;
<b>Barrier Level 1</b>	as specified in the applicable Final Terms;
<b>Barrier Level 2</b>	as specified in the applicable Final Terms;
<b>Base CPI</b>	<ul style="list-style-type: none"> <li>(i) for the purposes of Condition 5 (<i>Interest</i>) and the definition of "Inflation Rate" (other than for the purposes of Condition 5(h)(vii) (<i>ZC Inflation Cap Floor</i>) and Condition 5(h)(v) (<i>Inflation Range Accrual</i>)), the level of the Inflation Index for the month falling fifteen months prior to the month in which the relevant Interest Payment Date falls;</li> <li>(ii) for the purposes of Condition 5(h)(v) (<i>Inflation Range Accrual</i>) and the definition of "Inflation Rate" in such Condition 5(h)(v), the level of the Inflation Index for the month falling fifteen months prior to the month in which the relevant Valuation Date falls; and</li> <li>(iii) for the purposes of Condition 7(m)(iii) (<i>Inflation Protected Principal</i>), Condition 5(h)(vii) (<i>ZC Inflation Cap Floor</i>) and the definition of "Inflation Rate" in such Condition 5(h)(vii), the level of the Inflation Index for the month falling three months prior to the month in which the Issue Date falls;</li> </ul>
<b>Basket</b>	the basket of Reference Assets or Reference Entities specified in the applicable Final Terms;
<b>Basket Participation</b>	<p>the proportionate share of the Basket represented by each Reference Asset, determined as follows:</p> <ul style="list-style-type: none"> <li>(i) if "<b>Fixed Basket Participation</b>" is specified as applicable in the applicable Final Terms, the Basket Participation will be the fixed percentage specified in the applicable Final Terms in relation to the relevant Reference Asset;</li> <li>(ii) if "<b>Rainbow Basket Participation</b>" is specified as applicable in the applicable Final Terms, the Basket Participation will be calculated by reference to the relative Return of the relevant Reference Asset. Each Reference Asset will be assigned a ranking based on the Reference Asset Return as calculated by the Issuer in accordance with the relevant Redemption Basis specified in Condition 7(l) (<i>Redemption Bases for Redemption at Maturity</i>), and the Basket Participation of each Reference Asset(s) will correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms;</li> <li>(iii) if "<b>Replacement Cliquet Basket Participation</b>" is specified as applicable in the applicable Final Terms, the Basket Participation will be calculated by reference to the relative Replacement Cliquet Performance of the relevant Reference Asset. Each Reference Asset will be assigned a ranking based on the Replacement Cliquet Performance of the relevant Reference Asset as calculated by the Issuer, and the Basket Participation of each Reference Asset will correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms;</li> <li>(iv) if "<b>Momentum Basket Participation</b>" is specified as applicable in the applicable Final Terms, the Basket Participation of each</li> </ul>

Reference Entity will initially be the percentage specified in the applicable Final Terms. Thereafter, the Basket Participation will be rebalanced on each applicable Rebalancing Date by reference to the relative Rebalancing Performance of each Reference Asset. Each Reference Asset will be assigned a ranking based on the Rebalancing Performance of the relevant Reference Asset during the period from (and including) the immediately preceding Rebalancing Date to (and including) the current Rebalancing Date, and the Basket Participation of each Reference Asset for the Rebalancing Period commencing on the current Rebalancing Date will correspond to the Basket Participation shown against the relevant ranking in the applicable Final Terms; or

- (v) if "**Accumulating Rainbow Basket Participation**" is specified as applicable in the applicable Final Terms, the Basket Participation will be calculated by reference to the relative Reference Asset Return of the relevant Reference Asset. Each Reference Asset will be assigned a ranking on the Issue Date, as specified in the applicable Final Terms, and thereafter the Basket Participation will be recalculated on each Valuation Date based on the Reference Asset Return as calculated by the Issuer in accordance with the relevant Redemption Basis specified in Condition 7(l) (*Redemption Bases for Redemption at Maturity*), and the Basket Participation of each Reference Asset for the next following Valuation Period will be reset and correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms.

<b>Basket Return Range</b>	as specified in the applicable Final Terms;
<b>Basket Strike Level</b>	as specified in the applicable Final Terms;
<b>Broken Amount</b>	as specified in the applicable Final Terms;
<b>Business Day</b>	has the meaning given to it in Condition 2(c) ( <i>Delivery of New Registered Certificates</i> ), Condition 5(a) ( <i>General provisions relating to Interest</i> ) or Condition 10 ( <i>Events of Default relating to, and enforcement of, Senior Notes</i> ), as applicable or, in relation to Fund-Linked Notes only, a day on which units or shares in the relevant Fund may be subscribed or redeemed in accordance with the rules of the relevant Fund, and which is also a Scheduled Trading Day in respect of the relevant Fund;
<b>Business Day Convention</b>	<p>if a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:</p> <p>(i) "<b>Following Business Day Convention</b>", such Interest Payment Date shall be postponed to the next day which is a Business Day; or</p> <p>(ii) "<b>Modified Following Business Day Convention</b>", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or</p> <p>(iii) "<b>Preceding Business Day Convention</b>", such Interest Payment Date shall be brought forward to the immediately preceding Business Day.</p>

Interest will then be calculated on an adjusted or unadjusted basis, as set out in the applicable Final Terms.

For the purposes of this definition, "Business Day" has the meaning given to it in Condition 5(a) (*General provisions relating to Interest*);

<b>Calculation Adjustment</b>	as specified in Annex 1 ( <i>Additional Conditions for Certain Notes</i> ) to these Conditions;
<b>Calculation Agent</b>	the agent for the Issuer specified in the applicable Final Terms;
<b>Calculation Amount</b>	has the meaning given in the applicable Final Terms (or, if not specified, a nominal amount of Notes equal to the Specified Denomination);
<b>Cap Strike</b>	the percentage specified in the applicable Final Terms;
<b>Cap Strike Lower</b>	the percentage specified in the applicable Final Terms;
<b>Cap Strike Upper</b>	the percentage specified in the applicable Final Terms;
<b>Change in Law</b>	as specified in the relevant Annex to these Conditions;
<b>Clearing System</b>	one or more of Euroclear, Clearstream Luxembourg and Interbolsa, as specified in the applicable Final Terms;
<b>Closing Price</b>	the value of the relevant Reference Asset at the Valuation Time on the applicable Rebalancing Date(s), Valuation Date(s) or Initial Valuation Date(s), as determined by the Issuer;
<b>Compounding Floater Notes</b>	Notes in respect of which the Interest Basis specified in the applicable Final Terms is "Compounding Floater";
<b>Commodity-Linked Notes</b>	Notes in respect of which the Reference Asset(s) consist(s) of certain commodities, as further specified in the applicable Final Terms;
<b>Correction</b>	as specified in Annex 1 ( <i>Additional Conditions for Certain Notes</i> ) to these Conditions;
<b>Coupon</b>	the percentage specified in the applicable Final Terms in respect of the relevant Interest Period;
<b>Coupon 2</b>	the percentage specified in the applicable Final Terms in respect of the relevant Interest Period;
<b>Coupon 3</b>	the percentage specified in the applicable Final Terms in respect of the relevant Interest Period;
<b>Coupon 4</b>	the percentage specified in the applicable Final Terms in respect of the relevant Interest Period;
<b>Coupon Amount</b>	as specified in the applicable Final Terms;
<b>Coupon Barrier Level</b>	each coupon barrier level specified in the applicable Final Terms;
<b>Coupon Rebate</b>	as specified in the applicable Final Terms;
<b>Credit Event</b>	as specified in Annex 2 ( <i>Additional Conditions for Credit-Linked Notes</i> ) to these Conditions;

<b>Credit-Linked Interest</b>	the amount of interest determined in accordance with Condition 5(l) ( <i>Credit-Linked Notes (CLNs) - Interest</i> );
<b>Credit-Linked Interest Notes</b>	Notes for which the applicable Interest Basis is "Credit-Linked Interest";
<b>Credit-Linked Notes</b>	Notes that are Credit-Linked Interest Notes and/or Credit-Linked Redemption Notes;
<b>Credit-Linked Redemption Notes</b>	Notes for which the applicable Redemption Basis "Non Tranching CLN Structure", "Tranching CLN Structure", "Nth to Default CLN Structure", "Nth and Nth+1 to Default CLN Structure" or "Physically Settled CLN";
<b>Cross Acceleration</b>	as specified in Condition 10(vii) ( <i>Events of Default relating to, and enforcement of, Senior Notes</i> );
<b>Currency Business Day</b>	any day in which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre for the relevant currency. In respect of any transaction where the Notes and/or Reference Asset(s) are denominated in Euro, each TARGET Settlement Day shall be a Currency Business Day;
<b>Day Count Fraction</b>	<p>in respect of the calculation of an amount of interest for any Interest Period, such day count fraction as may be specified in these Conditions or the applicable Final Terms and:</p> <p>(i) if "<b>Actual/Actual (ISDA)</b>" or "<b>Actual/Actual</b>" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);</p> <p>(ii) if "<b>Actual/365 (Fixed)</b>" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;</p> <p>(iii) if "<b>Actual/365 (Sterling)</b>" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;</p> <p>(iv) if "<b>Actual/360</b>" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;</p> <p>(v) if "<b>30/360</b>", "<b>360/360</b>" or "<b>Bond Basis</b>" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:</p>

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day

immediately following the last day of the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case **D<sub>2</sub>** will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 32 and **D<sub>2</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30;

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30; and

- (vii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

"**D<sub>2</sub>**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and **D<sub>2</sub>** will be 30.

<b>Dealer/ Relevant Dealers</b>	Haitong Bank or any other dealer as appointed in respect of an issue of Notes under the Programme;
<b>Denomination</b>	the denomination of the Notes as specified in the applicable Final Terms;
<b>Designated Maturity</b>	as specified in the applicable Final Terms;
<b>Determination Date</b>	(for the purposes of the definition of Determination Period) as specified in the applicable Final Terms;
<b>Determination Period</b>	each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);
<b>Dual Currency Notes</b>	Notes in respect of which the "Dual Currency Provisions" are specified in the applicable Final Terms to be applicable;
<b>Early Redemption Amount</b>	the amount calculated in accordance with Condition 7(e) ( <i>Early Redemption Amounts</i> );
<b>Early Redemption Date</b>	the Optional Redemption Date, the Interest Payment Date(s) or other such date(s) on which the Issuer or, where applicable, the Noteholder, is entitled to demand early redemption of Notes pursuant to the Conditions;
<b>Equity-Linked Notes</b>	Notes in respect of which the Reference Asset(s) consist(s) of an ordinary share or ordinary shares or other relevant equity securities, as the case may be, of the relevant Reference Entity, as further specified in the applicable Final Terms;
<b>ETF or Exchange Traded Fund</b>	an Exchange Traded Fund as specified in the applicable Final Terms;
<b>ETF Notes</b>	Notes in respect of which the Reference Asset(s) consist(s) of units or shares in one or more exchange traded funds (" <b>ETF</b> "), as further specified in the applicable Final Terms;

<b>EURIBOR</b>	Euro Interbank Offered Rate;
<b>Exchange Business Day</b>	any Scheduled Trading Day on which each Relevant Exchange and each Options or Futures Exchange is open for trading during its regular trading sessions;
<b>Exchange Business Day Convention</b>	<p>the applicable convention for the purposes of adjusting a relevant day where the day occurs on a day which is not a Scheduled Trading Day. Adjustment may take place in accordance with any of the following conventions:</p> <p><b>"Following Scheduled Trading Day"</b> where a relevant day occurs on a day which is not a Scheduled Trading Day, it shall be deferred until the Following Exchange Business Day;</p> <p><b>"Modified Following Scheduled Trading Day"</b> where a relevant day occurs on a day which is not a Scheduled Trading Day, it shall be deferred to the immediately following Scheduled Trading Day in the same calendar month unless that day would fall in the next calendar month, in which case the relevant day shall occur on the immediately preceding Scheduled Trading Day;</p> <p><b>"Preceding Scheduled Trading Day"</b> where a relevant day or another relevant day occurs on a day which is not a Scheduled Trading Day, it shall instead occur on the immediately preceding Scheduled Trading Day;</p>
<b>Extraordinary Events</b>	as specified in the relevant Annex to these Conditions;
<b>Extraordinary Resolution</b>	(i) a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of the Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll be duly demanded then by a majority consisting of not less than three-fourths of the votes given on such poll or (ii) a resolution in writing signed by or on behalf of all the Noteholders, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders;
<b>Final CPI</b>	<p>(i) for the purposes of Condition 5 and the definition of "Inflation Rate" (other than for the purposes of Condition 5(h)(v) (<i>Inflation Range Accrual</i>) and Condition 7(m)(iii) (<i>Inflation Protected Principal</i>)), the level of the Inflation Index for the month falling three months prior to the month in which the relevant Interest Payment Date falls;</p> <p>(ii) for the purposes of Condition 5(h)(v) (<i>Inflation Range Accrual</i>) and the definition of "Inflation Rate" in such Condition 5(h)(v), the level of the Inflation Index for the month falling three months prior to the month in which the relevant Valuation Date falls; and</p> <p>(iii) for the purposes of Condition 7(m)(iii) (<i>Inflation Protected Principal</i>), the level of the Inflation Index for the month falling three months prior to the month in which the Maturity Date falls;</p>
<b>Final FX Rate</b>	unless otherwise specified in these Conditions the FX Rate, or the average value of the FX Rate, on the applicable FX Valuation Date(s) specified in the applicable Final Terms;
<b>Final Price</b>	<p>unless otherwise specified in these Conditions:</p> <p>(i) if neither 'Maximum Final Price' nor 'Minimum Final Price' is specified to be applicable in the Final Terms, the Closing Price, or the average of the Closing Prices, for the relevant Reference Asset</p>

on the applicable Valuation Date(s) as specified in the Final Terms;

- (ii) if 'Maximum Final Price' is specified to be applicable in the Final Terms, the Maximum Final Price; or
- (iii) if 'Minimum Final Price' is specified to be applicable in the Final Terms, the Minimum Final Price;

**Fixed Day Count Fraction**

in respect of the calculation of an amount of interest in respect of Fixed Rate Notes in accordance with Conditions 5(a)(iv) (*Determination of Interest Rate and Calculation of Interest Amounts*) and 5(f) (*Interest on Fixed Rate Notes*):

- (i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:
  - (A) in the case of Notes where the number of days in the relevant Accrual Period is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in (each of) the next Determination Period(s) divided by the product of (x) the number of days in (each of) such Determination Period(s) and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if "**30/360**" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

**Fixed Interest Period**

the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date;

**Fixed Rate Notes**

Notes in respect of which the Interest Basis specified in the applicable Final Terms is "Fixed Rate";

**Fixed Recovery Value**

as specified in the applicable Final Terms;

<b>Floating Rate Notes</b>	Notes in respect of which the Interest Basis specified in the applicable Final Terms is "Floating Rate";
<b>Floor</b>	the percentage specified in the applicable Final Terms;
<b>Floor Strike</b>	the percentage specified in the applicable Final Terms;
<b>Floor Strike Lower</b>	the percentage specified in the applicable Final Terms;
<b>Floor Strike Upper</b>	the percentage specified in the applicable Final Terms;
<b>Fund</b>	as specified in the applicable Final Terms;
<b>Fund Event</b>	as further specified in Annex 1 ( <i>Additional Conditions for Certain Notes</i> ) to these Conditions;
<b>Fund-Linked Notes</b>	Notes in respect of which the Reference Asset(s) consist(s) of units or shares in a fund (or funds) (other than ETF), as further specified in the applicable Final Terms;
<b>FX-Linked Notes</b>	Notes in respect of which the Reference Asset(s) consist(s) of one or more FX Rates, as further specified in the applicable Final Terms;
<b>FX Rate</b>	the currency exchange rate specified in the applicable Final Terms;
<b>FX Valuation Date</b>	as specified in the applicable Final Terms;
<b>Group or Haitong Group</b>	Haitong Securities Co., Ltd. and its subsidiaries, including Haitong International Holdings Limited and the Issuers;
<b>Hedging Disruption</b>	as specified in the relevant Annex to these Conditions;
<b>Higher Optional Redemption Amount</b>	as specified in the applicable Final Terms;
<b>Increased Cost of Hedging</b>	as specified in the relevant Annex to these Conditions;
<b>Indexed Redemption Amount Notes</b>	Notes in respect of which payments of principal will be calculated by reference to an index and/or formula;
<b>Index" and "Indices"</b>	subject to any adjustment in accordance with Annex 5, the equity index or equity indices in relation to Index-Linked Notes so specified in the applicable Final Terms;
<b>Index Interest</b>	the amount of interest determined in accordance with Condition 5(j) ( <i>Index Interest Notes</i> );
<b>Index Interest Notes</b>	Notes which bear Index Interest;
<b>Index-Linked Notes</b>	Notes in respect of which the Reference Asset(s) consist(s) of (i) an Exchange Traded Fund (or ETF) or (ii) an Index or Indices (as defined above) to which the Notes relate, as further specified in the applicable Final Terms;
<b>Inflation Index</b>	the consumer prices index ("CPI") specified as the Inflation Index in the applicable Final Terms;
<b>Inflation-Linked Interest</b>	Notes for which the applicable Interest Basis is "Inflation-Linked", "Binary Inflation Cap", "Binary Inflation Floor", "Binary Inflation Range", "Inflation

<b>Notes</b>	Range Accrual", "Inflation Cap/Floor", "ZC Inflation Cap Floor" or "Inflation Linker";
<b>Inflation-Linked Redemption Notes</b>	Notes for which the applicable Redemption Basis modifier is "Inflation-Protected Principal";
<b>Inflation-Linked Notes</b>	Notes that are Inflation-Linked Interest Notes or Inflation-Linked Redemption Notes;
<b>Inflation Rate</b>	the value obtained by subtracting one (1) from the value obtained by dividing the Final CPI by the Base CPI;
<b>Initial Coupon</b>	as specified in the applicable Final Terms;
<b>Initial FX Rate</b>	unless otherwise specified in these Conditions, the FX Rate, or the average value of the FX Rate, on the applicable Initial FX Valuation Date(s) as specified in the applicable Final Terms;
<b>Initial FX Valuation Date(s)</b>	as specified in the applicable Final Terms;
<b>Initial Price</b>	unless otherwise specified in these Conditions: <ul style="list-style-type: none"> <li>(i) if neither 'Maximum Initial Price' nor 'Minimum Initial Price' is specified to be applicable in the applicable Final Terms, the Closing Price, or the average of the Closing Prices, for the relevant Reference Asset on the applicable Initial Valuation Date(s) as specified in the Final Terms;</li> <li>(ii) if 'Maximum Initial Price' is specified to be applicable in the applicable Final Terms, the Maximum Initial Price; or</li> <li>(iii) if 'Minimum Initial Price' is specified to be applicable in the applicable Final Terms, the Minimum Initial Price;</li> </ul>
<b>Initial Valuation Date(s)</b>	such date or dates as may be specified in the applicable Final Terms or, if such Initial Valuation Date is not an Exchange Business Day for a specific Reference Asset, as adjusted in accordance with the applicable Additional Conditions;
<b>Instalment Amount</b>	in relation to an Instalment Note, the amount of each instalment as may be specified in, or determined in accordance with the provisions of, the applicable Final Terms. To the extent that an Instalment Amount requires calculation, such amount may be calculated by the Calculation Agent;
<b>Instalment Date</b>	as specified in the applicable Final Terms;
<b>Instalment Notes</b>	Notes in respect of which "Instalment Redemption" is specified to be applicable in the applicable Final Terms;
<b>Interest Amount</b>	has the meaning given to it in Condition 5(a)(iv);
<b>Interest Basis</b>	the interest basis specified in the applicable Final Terms;
<b>Interest Commencement Date</b>	in respect of any interest bearing Note, the Issue Date or such other date as is specified in the applicable Final Terms;
<b>Interest Determination Date</b>	the date specified in the applicable Final Terms or, if none is so specified, (i) the first day of the relevant Accrual Period if the Specified Currency is GBP, (ii) the day falling two TARGET Business Days prior to the first day of the

	relevant Accrual Period if the Specified Currency is EUR, or (iii) the day falling two London Banking Days prior to the first day of the relevant Accrual Period if the Specified Currency is neither GBP nor EUR;
<b>Interest Payment Date</b>	in respect of any interest bearing Note, such date as shall be specified in the applicable Final Terms;
<b>Interest Period</b>	(i) with respect to the first Interest Period, the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date; and (ii) with respect to subsequent Interest Periods, the period commencing on (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date;
<b>Interest Rate</b>	as specified in the applicable Final Terms in respect of Fixed Rate Notes or as specified in Condition 5 in respect of Notes other than Fixed Rate Notes;
<b>Issue Date</b>	as specified in the applicable Final Terms;
<b>LIBOR</b>	London Interbank Offered Rate;
<b>London Banking Day</b>	any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, England;
<b>Lookback Period</b>	as specified in the applicable Final Terms;
<b>Margin</b>	as specified in the applicable Final Terms;
<b>Market Disruption</b>	as specified in the relevant Annex to these Conditions;
<b>Market Recovery Value</b>	the final price for deliverable obligations of the relevant Reference Entity (Principal) or Reference Entity (Interest), as applicable, as determined in accordance with any applicable auction process administered by or on behalf of the International Swaps and Derivatives Association, Inc., or any successor organisation, or in the absence of such a price, the value determined by the Issuer acting in good faith and in a commercially reasonable manner;
<b>Maturity Date</b>	as specified in the applicable Final Terms – the day on which the Notes shall be redeemed;
<b>Maximum Basket Return</b>	as specified in the applicable Final Terms;
<b>Maximum Final Price</b>	unless otherwise specified in these Conditions, the maximum daily Closing Price, or the maximum daily average of the Closing Prices, for the relevant Reference Asset during the applicable Lookback Period as specified in the Final Terms;
<b>Maximum Initial Price</b>	unless otherwise specified in these Conditions, the maximum daily Closing Price, or the maximum daily average of the Closing Prices, for the relevant Reference Asset during the applicable Lookback Period as specified in the Final Terms;
<b>Maximum Interest Amount</b>	as specified in the applicable Final Terms;
<b>Maximum Interest Rate</b>	as specified in the applicable Final Terms;
<b>Maximum Performance</b>	in respect of each Reference Asset, the percentage specified in the applicable

	Final Terms;
<b>Maximum Redemption Amount</b>	an amount per Calculation Amount equal to the product of the Calculation Amount and the Maximum Redemption Percentage;
<b>Maximum Redemption Percentage</b>	as specified in the applicable Final Terms;
<b>Minimum Basket Return</b>	as specified in the applicable Final Terms;
<b>Minimum Final Price</b>	unless otherwise specified in these Conditions, the minimum daily Closing Price, or the minimum daily average of the Closing Prices, for the relevant Reference Asset during the applicable Lookback Period as specified in the Final Terms;
<b>Minimum Initial Price</b>	unless otherwise specified in these Conditions, the minimum daily Closing Price, or the minimum daily average of the Closing Prices, for the relevant Reference Asset during the applicable Lookback Period as specified in the Final Terms;
<b>Minimum Interest Amount</b>	as specified in the applicable Final Terms;
<b>Minimum Interest Rate</b>	as specified in the applicable Final Terms;
<b>Minimum Optional Redemption Amount</b>	as specified in the applicable Final Terms;
<b>Minimum Redemption Amount</b>	an amount per Calculation Amount equal to the product of the Calculation Amount and the Minimum Redemption Percentage;
<b>Minimum Redemption Percentage</b>	as specified in the applicable Final Terms;
<b>N best performing Reference Assets</b>	the specified number of Reference Assets with the best Reference Asset Return, where "N" is an integer specified in the applicable Final Terms;
<b>Notes</b>	debt instruments which form part of a Series issued by the Issuer under this Programme, with the terms and conditions specified in the applicable Final Terms and these Conditions;
<b>Nth best performing Reference Asset</b>	the Reference Asset with the Nth highest Reference Asset Return, where "N" is an integer specified in the applicable Final Terms;
<b>Nth best performing Reference Asset Value</b>	the Reference Asset Value of the Nth best performing Reference Asset;
<b>Observation Date</b>	in respect of an Interest Payment Date, the day falling five Business Days prior to such Interest Payment Date or such other date as may be specified in the applicable Final Terms in respect of such Interest Payment Date;
<b>Observation End Date</b>	as specified in the applicable Final Terms;
<b>Observation Start Date</b>	as specified in the applicable Final Terms;
<b>Optional Redemption Amount</b>	as specified in the applicable Final Terms;
<b>Optional Redemption Date</b>	the date(s) as specified in the applicable Final Terms on which the Issuer or, where applicable, the Noteholder, is entitled to demand early redemption of

	Notes pursuant to the Conditions;
<b>Options or Futures Exchange</b>	each exchange or quotation system specified in the applicable Final Terms or, if "All Exchanges" is specified in the applicable Final Terms, each exchange or quotation system where trading has a material effect (as determined by the Issuer) on the overall market for futures or options contracts relating to the relevant Reference Asset(s);
<b>Participation Ratio</b>	as specified in the applicable Final Terms;
<b>Participation Ratio 2</b>	as specified in the applicable Final Terms;
<b>Participation Ratio 3</b>	as specified in the applicable Final Terms;
<b>Partly Paid Notes</b>	Notes in respect of which the "Partly Paid Note Provisions" are specified to be applicable in the applicable Final Terms;
<b>Part Payment Amount</b>	as specified in the applicable Final Terms;
<b>Part Payment Date</b>	as specified in the applicable Final Terms;
<b>Physical Delivery Note</b>	Any Exempt Note to which "Physical Delivery Notes" is stated to be applicable in the applicable Pricing Supplement;
<b>Portfolio Exposure</b>	as specified in the applicable Final Terms;
<b>Programme</b>	HIIP and Haitong Bank's EUR2,500,000,000 Euro Medium Term Note Programme with the benefit of a Keep Well Agreement provided by Haitong Bank;
<b>Range</b>	as specified in the applicable Final Terms;
<b>Range 1</b>	as specified in the applicable Final Terms;
<b>Range 2</b>	as specified in the applicable Final Terms;
<b>Range Accrual Notes</b>	Notes in respect of which the Interest Basis specified in the applicable Final Terms is "Inflation Range Accrual", "Range Accrual", "Range Accrual In/Out" or "Knockout Range Accrual";
<b>Rate Adjustment Notes</b>	Notes in respect of which "Rate Adjustment Note Provisions" are specified to be applicable in the applicable Final Terms;
<b>Rebalancing Date</b>	such date as may be specified in the applicable Final Terms;
<b>Rebalancing Performance</b>	the amount is calculated by dividing the Closing Price of the relevant Reference Asset on the relevant Rebalancing Date by the Closing Price of the relevant Reference Asset on the immediately preceding Rebalancing Date or (in the case of the initial Rebalancing Date), the Initial Valuation Date.
<b>Rebalancing Period</b>	each successive period from (and including) a Rebalancing Date (or, if none, the Initial Valuation Date) to (but excluding) the next following Rebalancing Date;
<b>Record Date</b>	has the meaning given to it in Condition 6(f) ( <i>Payments in respect of Registered Notes</i> );
<b>Redemption Amount</b>	the amount calculated in accordance with Condition 7 ( <i>Redemption and</i>

	<i>Purchase</i> );
<b>Redemption Basis</b>	the Redemption Basis specified in the applicable Final Terms;
<b>Redemption Proceeds</b>	the amount(s) received by the Issuer or other applicable Hedging Party as a result of unwinding any hedge position entered into by the Issuer or relevant Hedging Party in order to hedge any obligation of the Issuer to make payments in respect of the Notes.
<b>Reference Asset</b>	any Reference Asset (Interest) or Reference Asset (Principal);
<b>Reference Asset(s) (Interest)</b>	as specified in the applicable Final Terms – Reference Assets (Interest) may include equities, shares (including private equity)/depository receipts, indices, interest rates, currencies, fund units, commodities, credit risks or baskets thereof, combinations or relationships between assets, the change in price or performance of which affects the size of the Interest Amount;
<b>Reference Asset(s) (Principal)</b>	as specified in the applicable Final Terms – Reference Assets (Principal) may include equities, shares (including private equity)/depository receipts, indices, interest rates, currencies, fund units, commodities, credit risks or baskets thereof, combinations or relationships between assets, the change in price or performance of which affects the size of the Redemption Amount;
<b>Reference Banks</b>	four leading banks in the relevant inter-bank market or appropriate money market selected by the Agent, or, failing such selection by the Agent and, in the case of Condition 5(g)(ii)(2) ( <i>Screen Rate Determination for Floating Rate Notes</i> ), those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared;
<b>Reference Entity</b>	any Reference Entity (Interest) or Reference Entity (Principal);
<b>Reference Entity (Interest)</b>	as specified in the applicable Final Terms;
<b>Reference Entity (Principal)</b>	as specified in the applicable Final Terms;
<b>Reference Rate</b>	as specified in the applicable Final Terms;
<b>Reference Rate 2</b>	as specified in the applicable Final Terms;
<b>Reference Price</b>	as specified in the applicable Final Terms;
<b>Regulator</b>	the Central Bank of Portugal or such other governmental authority in Portugal (or, if Haitong Bank becomes domiciled in a jurisdiction other than Portugal, in such other jurisdiction) having primary responsibility for the prudential supervision of Haitong Bank;
<b>Relevant Exchange</b>	the stock exchange(s) on which the underlying Reference Asset(s) is/are traded, as specified in the applicable Final Terms;
<b>Relevant Screen Page</b>	as specified in the applicable Final Terms;
<b>Replacement Cliquet Performance</b>	the sum of the Adjusted Periodic Reference Asset Returns of the relevant Reference Asset for each Valuation Period; where:  the " <b>Adjusted Periodic Reference Asset Return</b> " for each applicable Valuation Period will be the Periodic Reference Asset Return, save that in respect of the Valuation Periods with the N highest Periodic Reference Asset Returns, the Reference Asset Return shall be replaced with the relevant Fixed

Reference Asset Return;

"N" means the value given to it in the applicable Final Terms;

"**Fixed Reference Asset Return**" is as specified in the applicable Final Terms;

"**Periodic Reference Asset Return**" means the result (expressed as a percentage) obtained by dividing the Final Price for each Reference Asset by the Start Price and subtracting 100 per cent.;

"**Start Price**" means the Closing Price of the relevant Reference Asset on the Valuation Date immediately preceding the start of the application Valuation Period; and

"**Final Price**" means the Closing Price of the relevant Reference Asset on the Valuation Date at the end of the applicable Valuation Period;

<b>Replacement Factor</b>	as specified in the applicable Final Terms;
<b>Replacement Reference Asset</b>	an alternative Reference Asset, as selected by the Issuer in a commercially fair and reasonable manner;
<b>Scheduled Maturity Date</b>	as specified in the applicable Final Terms;
<b>Scheduled Trading Day</b>	irrespective of whether a Market Disruption has occurred, with respect to each Reference Asset (i.e., any Reference Asset (Principal) or Reference Asset (Interest)) which is an equity/depository receipt, equities index or any other type of Reference Asset which is traded on a stock exchange or market place, a day on which (i) trading is intended to take place in a Reference Asset on a Relevant Exchange and on an Options or Futures Exchange and/or (ii) the relevant index sponsor is scheduled to publish the level of the index; and, with respect to Reference Assets which comprise a currency or a currency index or any other type of Reference Asset for which the price is published, a day on which the price for such Reference Asset or currency included in a Reference Asset is published or is intended to be published; and, with respect to a Reference Asset which is a fund or a fund index, a day on which it is intended that the value of the Reference Asset or units in the Reference Asset to be published and, with respect to any Reference Asset, such day as is specified in the applicable Final Terms;
<b>Senior Note</b>	each unsubordinated Note issued under the Programme;
<b>Specified Currency</b>	EUR, USD, GBP, CHF or such other currency as may be specified in the applicable Final Terms and, for the purposes only of Condition 5(g)(ii) ( <i>Screen Rate Determination for Floating Rate Notes</i> ), the currency specified under the heading "Screen Rate Determination" in the applicable Final Terms;
<b>Specified Denomination</b>	as specified in the applicable Final Terms;
<b>Strike Level</b>	as specified in the applicable Final Terms;
<b>Strike Lower</b>	the percentage specified in the applicable Final Terms;
<b>Strike Upper</b>	the percentage specified in the applicable Final Terms;
<b>sub-unit</b>	with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and,

	with respect to euro, one cent;
<b>TARGET2 system</b>	the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;
<b>TARGET Settlement Day</b>	any day on which the TARGET2 system is open for the settlement of payments in euro;
<b>Target Redemption Amount</b>	as specified in the applicable Final Terms;
<b>Target Payment Amount</b>	as specified in the applicable Final Terms;
<b>Tier 2 Note</b>	each dated subordinated Note issued under the Programme which constitutes tier 2 capital under Applicable Banking Regulations;
<b>Tranche Attachment Point</b>	the percentage so specified in the applicable Final Terms;
<b>Tranche Attachment Range</b>	the result obtained by subtracting the Tranche Attachment Point from the Tranche Detachment Point;
<b>Tranche Detachment Point</b>	the percentage so specified in the applicable Final Terms;
<b>Valuation Date(s)</b>	such date(s) as may be specified in the applicable Final Terms or, if such Valuation Date is not an Exchange Business Day for a specific Reference Asset, as adjusted in accordance with the applicable Additional Conditions;
<b>Valuation Period</b>	the period from (but excluding) each Valuation Date (including the Initial Valuation Date), to and including the immediately following Valuation Date;
<b>Valuation Time</b>	unless otherwise specified in the applicable Final Terms, with respect to each Reference Asset, the time at which its official Closing Price is determined or the value thereof is otherwise determined by the Issuer;
<b>Weighted Asset Return</b>	unless otherwise specified in these Conditions, the product of the Reference Asset Return and the Basket Participation in respect of each relevant Reference Asset; and
<b>Zero Coupon Notes</b>	Notes in respect of which the Interest Basis specified in the applicable Final Terms is "Zero Coupon".

## 1. Form, Denomination and Title

The Notes are, in the case of Bearer Notes, in bearer form or, in the case of Registered Notes, registered form or, in the case of Interbolsa Notes, represented in dematerialised book-entry (*escriturais*) form. Interbolsa Notes will be either bearer Notes (*ao portador*) or registered Notes (*nominativas*), as specified in the applicable Final Terms. Definitive Notes shall be serially numbered, and in their Specified Currency and Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

The Note may be a Senior Note or a Tier 2 Note, as indicated in the applicable Final Terms.

For any Non-Exempt Note, such Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Inflation-Linked Interest Note, an Index Interest Note, a Compounding Floater Note, a Credit-Linked Note, a Range Accrual Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note or a combination of any of the foregoing, depending upon the Interest Basis, Redemption Basis and other applicable provisions shown in the applicable Final Terms. The Redemption Amount will be determined in accordance with one or more of the Redemption Bases specified in Condition 7 (*Redemption and Purchase*).

For any Exempt Note, such Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Inflation-Linked Interest Note, an Index Interest Note, a Compounding Floater Note, a Credit-Linked Note, a Range Accrual Note, an Instalment Note, a Dual Currency Note, a Physical Delivery Note, a Partly Paid Note or a combination of any of the foregoing or any other type of Note, depending upon the Interest Basis, Redemption Basis and other applicable provisions shown in the applicable Pricing Supplement. The Redemption Amount will be determined in accordance with one or more of the Redemption Bases specified in Condition 7 (*Redemption and Purchase*) or in any other manner shown in the applicable Pricing Supplement.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Registered Notes are represented by registered certificates ("**Registered Certificates**") and, save as provided in Condition 2(b) (*Exercise of Options or Partial Redemption in Respect of Registered Notes*), each Registered Certificate shall represent the entire holding of Registered Notes by the same holder. Subject as set out below, title to the Bearer Notes, to Receipts and Coupons (except to Interbolsa Notes) will pass by delivery. The Issuer, Haitong Bank (where the Issuer is HIIP), the Trustee and any Paying Agent may to the fullest extent permitted by applicable law deem and treat the bearer of any such Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

For so long as any of the Notes is represented by a Global Note or a Global Certificate held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, Haitong Bank (where the Issuer is HIIP), the Trustee, the Registrar, the Agent and any other Paying Agent and Transfer Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note or Global Certificate shall be treated by the Issuer, Haitong Bank (where the Issuer is HIIP), the Trustee, the Registrar, Agent and any other Paying Agent and Transfer Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note or Global Certificate and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly. Notes which are represented by a Global Note or a Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg and/or Interbolsa shall, whenever the context so permits, be deemed to include a reference to any successor operator and/or successor clearing system or, in the case of Exempt Notes only, as may be otherwise approved by the Issuer, the Trustee (except in respect of references to Interbolsa) the Common Representative (in respect of references to Interbolsa only) the Registrar (in respect of references to Registered Notes only) and the Agent.

Title to the Interbolsa Notes will be evidenced by book-entries in accordance with the Portuguese Securities Code and the regulations issued by Comissão do Mercado de Valores Mobiliários (Portuguese Securities Market Commission, the "**CMVM**"), by Interbolsa or otherwise applicable thereto. Each person shown in the book-entry records of a financial institution, which is licensed to act as a financial intermediary and which is entitled to hold control accounts with Interbolsa (each such institution an "**Affiliate Member of Interbolsa**"), as having an interest in the Interbolsa Notes shall be the holder of the principal amount of the Interbolsa Notes recorded.

Title to the Interbolsa Notes is subject to compliance with all rules, restrictions and requirements applicable to the activities of Interbolsa.

One or more certificates in relation to the Interbolsa Notes (each, a "**Certificate**") will be delivered by the relevant Affiliate Member of Interbolsa in respect of a registered holding of Interbolsa Notes upon the request by the relevant Noteholder and in accordance with that Affiliate Member of Interbolsa's procedures pursuant to article 78 of the Portuguese Securities Code.

The Interbolsa Notes will be registered in the relevant control issue account of the Issuer with Interbolsa and will be held in control accounts by each Affiliate Member of Interbolsa on behalf of the Noteholders. Such control accounts will reflect at all times the aggregate number of Interbolsa Notes held in individual securities accounts opened with the Affiliate Members of Interbolsa by Noteholders, which are clients of the Affiliate Members of Interbolsa and include Euroclear and Clearstream, Luxembourg.

The person or entity registered in the relevant individual securities accounts of an Affiliate Member of Interbolsa book-entry registry of the Central de Valores Mobiliários (the "**Book-Entry Registry**" and each such entry therein, "**Book Entry**") as the holder of any Interbolsa Note shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein).

The Issuer and the Paying Agents may (to the fullest extent permitted by applicable law) deem and treat the person or entity registered in the Book-Entry Registry as the holder of any Interbolsa Note and its absolute owner for all purposes. Proof of such registration is made by means of a Certificate.

No Noteholder will be able to transfer Interbolsa Notes, or any interest therein, except in accordance with Portuguese law and regulations. Interbolsa Notes may only be transferred in accordance with the applicable procedures established by the Portuguese Securities Code and the regulations issued by the CMVM and Interbolsa.

## **2. Transfers of Registered Notes**

### **(a) Transfer of Registered Notes**

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Registered Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Registered Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require. In the case of a transfer of part only of Registered Notes represented by one Registered Certificate, a new Registered Certificate shall be issued to the transferee in respect of the part transferred and a further new Registered Certificate in respect of the balance not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

### **(b) Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of the Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Registered Certificate, a new Registered Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Registered Certificates shall be issued in respect of those Notes of that holding that have different terms. New Registered Certificates shall only be issued against surrender of the existing Registered Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Registered Certificate representing the enlarged holding shall only be issued against surrender of the Registered Certificate representing the existing holding.

### **(c) Delivery of New Registered Certificates**

Each new Registered Certificate to be issued pursuant to Conditions 2(a) or (b) shall be available for delivery within three business days (as defined below) of receipt of the request for exchange, form of transfer or Eurobond Put Notice (as defined in Condition 7(d) (*Redemption at the Option of the Noteholders other than holders of Tier 2 Notes (Investor Put)*)) and surrender of the Registered Certificate for exchange. Delivery of the new Registered Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of

such request for exchange, form of transfer, Eurobond Put Notice or Registered Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Eurobond Put Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Registered Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

**(d) Exchange Free of Charge**

Exchange and transfer of Notes and Registered Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

**(e) Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(c) (*Redemption at the Option of the Issuer (Issuer Call)*), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

**3. Status and subordination**

**(a) Status of the Senior Notes**

The Senior Notes and the Receipts and Coupons relating thereto (if any) constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and rank *pari passu*, without any preference among themselves, with all other outstanding unsecured (subject as aforesaid) and unsubordinated obligations of the Issuer, present and future, subject to mandatory provisions of law affecting creditors' rights generally and statutorily preferred obligations.

**(b) Status and Subordination of the Tier 2 Notes**

- (i) The Tier 2 Notes and the Receipts and Coupons relating thereto (if any) constitute direct, unsecured and, in accordance with sub-paragraph (ii) below, subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves.
- (ii) In the event of the winding up of the Issuer, the claims of the Trustee (on behalf of the Noteholders but not the rights and claims of the Trustee in its personal capacity under the Trust Deed), the holders of Tier 2 Notes and any related Receipts and Coupons against the Issuer in respect of such Notes, Receipts and Coupons (including any damages or other payments awarded for breach of any obligations (if payable)) shall (i) be subordinated in the manner provided in the Trust Deed to the claims of all Senior Creditors; (ii) rank at least *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms are expressed to rank, *pari passu* with the Tier 2 Notes; and (iii) rank senior to the Issuer's ordinary shares, preference shares and any junior subordinated obligations or other securities of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Tier 2 Notes.

For the purposes of this Condition 3(b) (*Status and Subordination of the Tier 2 Notes*), "**Senior Creditors**" means creditors of the Issuer (i) who are depositors and/or other unsubordinated creditors of such Issuer; or (ii) who are subordinated creditors of the Issuer (whether in the event of winding up of such Issuer or otherwise) other than those whose claims by law rank, or by their terms are expressed

to rank, *pari passu* with or junior to the claims of the holders of Tier 2 Notes or any related Receipts and Coupons.

Nothing in this Condition 3(b) (*Status and Subordination of the Tier 2 Notes*) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

(c) ***No Set Off in respect of Tier 2 Notes***

Subject to applicable law and unless the Tier 2 Notes provide otherwise, claims in respect of any Tier 2 Notes or related Receipts or Coupons may not be set off, or be the subject of a counterclaim, by the holder thereof against or in respect of any of its obligations to the Issuer, the Trustee or any other person and every holder of Tier 2 Notes or related Receipts or Coupons waives, and shall be treated for all purposes as if it had waived, any right that it might otherwise have to set-off, or to raise by way of counterclaim any of its claims in respect of any Tier 2 Notes or related Receipts or Coupons, against or in respect of any of its obligations to the Issuer, the Trustee or any other person. If, notwithstanding the preceding sentence, any holder of Tier 2 Notes or related Receipts or Coupons receives or recovers any sum or the benefit of any sum in respect of any Tier 2 Notes or related Receipts or Coupons by virtue of any such set-off or counterclaim, it shall hold the same on trust for the Issuer and shall pay the amount thereof to the Issuer or, in the event of the winding up of the Issuer, to the liquidator of the Issuer.

(d) ***Status and Subordination of Haitong Bank's Obligations under the Keep Well Agreement***

- (i) Under the terms of the Keep Well Agreement, and subject as described below, Haitong Bank has agreed to cause HIIP to maintain or will make available to HIIP, before the due date of any relevant payment obligations under the HIIP Notes, funds sufficient to enable HIIP to satisfy such payment obligations in full as they fall due.
- (ii) With regard to the Senior Notes, the obligations of Haitong Bank referred to in sub-paragraph (i) above as undertaken under the Keep Well Agreement constitute unsubordinated, unconditional and unsecured obligations of Haitong Bank.
- (iii) With regard to the Tier 2 Notes, the obligations of Haitong Bank referred to in sub-paragraph (i) above as undertaken under the Keep Well Agreement are unsecured and will be subordinated to the extent that, in the event of winding up of Haitong Bank, and to the extent permitted by Portuguese law, payment by Haitong Bank under the Keep Well Agreement (insofar as such payment relates to payment obligations of the Issuer in respect of Tier 2 Notes) will be conditional upon Haitong Bank being able to satisfy in full the claims of all unsubordinated creditors of Haitong Bank.

(e) ***Assignment of the Keep Well Agreement***

HIIP has in the Trust Deed assigned all its rights under the Keep Well Agreement by way of security to the Trustee for the benefit of the holders of the HIIP Notes as security for the payment of principal and interest on such Notes.

**4. [intentionally left blank]**

**5. Interest**

(a) ***General provisions relating to Interest***

- (i) Notes may be interest bearing or non-interest bearing. The amount of interest payable per Calculation Amount on each Interest Payment Date shall be calculated in accordance with one of the following alternatives as further specified in the applicable Final Terms. Unless otherwise specified in these Conditions, the Interest Amount will be an amount per Calculation Amount and will be payable in arrear on each Interest Payment Date.
- (ii) In this Condition, "**Business Day**" means a day which is both:

- (A) 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 London, in the case of Bearer Notes and Registered Notes (other than Interbolsa Notes), Lisbon, in the case of Interbolsa Notes, and each Additional Business Centre specified in the applicable Final Terms; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 system is open.

(iii) *Minimum and/or Maximum Interest Rate and Minimum and/or Maximum Interest Amount*

If the applicable Final Terms specifies a Minimum Interest Rate for any Interest Period, then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the provisions of this Condition 5 (*Interest*) is less than such Minimum Interest Rate, the Interest Rate for such Interest Period shall be such Minimum Interest Rate.

If the applicable Final Terms specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Interest Rate in respect of such Interest Period determined in accordance with the provisions of this Condition 5 (*Interest*) is greater than such Maximum Interest Rate, the Interest Rate for such Interest Period shall be such Maximum Interest Rate.

If the applicable Final Terms specifies a Minimum Interest Amount for any Interest Period, then, in the event that the Interest Amount per Calculation Amount in respect of such Interest Period determined in accordance with the provisions of this Condition 5 (*Interest*) is less than such Minimum Interest Amount, the Interest Amount per Calculation Amount for such Interest Period shall be such Minimum Interest Amount.

If the applicable Final Terms specifies a Maximum Interest Amount for any Interest Period, then, in the event that the Interest Amount per Calculation Amount in respect of such Interest Period determined in accordance with the provisions of this Condition 5 (*Interest*) is greater than such Maximum Interest Amount, the Interest Amount per Calculation Amount for such Interest Period shall be such Maximum Interest Amount.

(iv) *Determination of Interest Rate and Calculation of Interest Amounts*

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Notes other than Fixed Rate Notes or Floating Rate Notes, will at, or as soon as practicable after, each time at which the Interest Rate is to be determined, determine the Interest Rate for the relevant Interest Period. In the case of Notes other than Fixed Rate Notes or Floating Rate Notes, the Calculation Agent will notify the Agent of the Interest Rate for the relevant Interest Period as soon as practicable after determining the same.

The Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Notes (other than Fixed Rate Notes in definitive form where an applicable Coupon Amount or Broken Amount is specified in the applicable Final Terms) for the relevant Interest Period by either:

- (i) applying the Interest Rate to the Calculation Amount (or, if they are Partly Paid Notes, the aggregate amount paid up of such Calculation Amount) and multiplying such sum by the applicable Day Count Fraction (which, in respect of Fixed Rate Notes, shall be the Fixed Day Count Fraction); or
- (ii) if the concept of Interest Rate is not applicable to the relevant Interest Basis specified to be applicable in the applicable Final Terms, calculating the Interest Amount in the manner described in the relevant sub-paragraph of this Condition 5 (*Interest*) (for the

purposes of which any reference to Calculation Amount shall, if the Notes are Partly Paid Notes, be to the aggregate amount paid up of such Calculation Amount),

and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. In respect of Dual Currency Notes, the calculation of the Interest Amount will be subject to the provisions of Condition 5(n) (*Dual Currency Notes*).

"**Switch Option Date**" means the date(s) specified in the applicable Final Terms.

(v) *Notification of Interest Rate and Interest Amounts*

The Agent will cause the Interest Rate (if applicable) and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange or other relevant authority on which the relevant Notes (other than Fixed Rate Notes) are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 15 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange or other relevant authority on which the relevant Notes (other than Fixed Rate Notes) are for the time being listed and to the Noteholders in accordance with Condition 15 (*Notices*). For the purposes of these Terms and Conditions, "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(vi) *Determination or calculation by Trustee or by a designated bank*

If for any reason at any time the Agent or, as the case may be, the Calculation Agent (as defined below) defaults in its obligation to determine the Interest Rate or the Agent defaults in its obligation to calculate any Interest Amount in accordance with this Condition 5 (*Interest*) then (A) (except in respect of Interbolsa Notes), the Trustee or (B) (in respect of Interbolsa Notes), any bank designated by the Common Representative for such purpose or, if no such bank is designated, a meeting of the Noteholders by Extraordinary Resolution, shall determine the Interest Rate at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee, designated bank or meeting of holders of Interbolsa Notes, as the case may be, shall calculate the Interest Amount(s) (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Interest Amount or Maximum Interest Amount specified in the applicable Final Terms), in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

(vii) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(a) (*General provisions relating to Interest*), whether by the Agent or, if applicable, the Calculation Agent (except in respect of Interbolsa Notes) or (except in respect of Interbolsa Notes) the Trustee or (in the case of Interbolsa Notes) by or on behalf of the Common Representative or by the Noteholders (in case of a determination of the Interest Rate by a meeting of the Noteholders by Extraordinary Resolution according to Condition 5(a) (vi) (*Determination or Calculation by Trustee or by a designated bank*)) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee (if applicable), the Common Representative, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence of

wilful default or bad faith) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent (if applicable) or the Trustee or the Common Representative in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

- (viii) If an Interest Rate cannot be determined for any reason, whether due to an inability to value a particular Reference Asset (Interest), due to any legal enactment, or any measure undertaken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance, or for any other reason, interest shall continue to accrue on the Notes at the rate applicable to the then current Interest Period. The Agent (or, where applicable, the Calculation Agent) or the Issuer shall, as soon as the relevant event has ceased, calculate the new Interest Rate which shall apply from the second Business Day after the date of calculation until the expiry of the then current Interest Period.

The Issuer may appoint another person or entity to perform calculations pursuant to these Conditions (the "**Calculation Agent**"). The name of any such Calculation Agent shall be specified in the applicable Final Terms.

If the Issuer determines, in its sole and absolute discretion, that the amount of interest actually paid to Noteholders on any Interest Payment Date was in excess of the amount of interest due and payable to Noteholders on such Interest Payment Date, as calculated in accordance with this Condition 5 (*Interest*) (such amount an "**Overpayment**"), the Issuer may reduce the amount of interest payable on any subsequent Interest Payment Date in order to compensate the Issuer for such Overpayment. The amount of interest to be deducted on any Interest Payment Date shall not exceed the aggregate of all Overpayment in respect of the relevant Notes, less any previous deductions in accordance with this Condition 5(a) (*General provisions relating to Interest*). The Issuer shall notify Noteholders of any reduction in the amount of interest scheduled to be paid on an Interest Payment Date, and the reasons therefor, at least two Business Days prior to that Interest Payment Date. Such notice shall be given to Noteholders in accordance with the provisions of Condition 15 (*Notices*).

**(b) Interest – Rate Adjustment**

If the Notes are Rate Adjustment Notes, the provisions of this Condition 5 (*Interest*) that are to be followed for calculation of the interest payable on the Notes may be adjusted periodically and the applicable Final Terms will specify which Interest Basis is applicable to which Interest Payment Date.

**(c) Interest – Combination of Structures**

If "Combination of Structures (Interest)" is specified as applicable in the applicable Final Terms, Notes shall bear interest in accordance with two or more of the interest alternatives set out in this Condition 5 (*Interest*). The Interest Amounts per Calculation Amount determined in accordance with each applicable sub-paragraph of Condition 5 (*Interest*) shall be multiplied by the applicable Interest Performance Percentage and then aggregated for the purposes of calculating the total Interest Amount per Calculation Amount payable to holders on the relevant Interest Payment Date.

"**Interest Performance Percentage**" means the percentage of the overall Interest Amount that is attributable to the relevant Interest Basis, as specified in the applicable Final Terms.

**(d) Switch Option**

If Switch Option is specified as applicable in the applicable Final Terms, the Issuer may, at its option (the "**Switch Option**"), elect to switch the Interest Basis applicable to the Notes to Fixed Rate (as described in Condition 5(f) (*Interest on Fixed Rate Notes*)) with effect from a Switch Option Date. The Issuer may exercise the Switch Option only once during the term of the Notes. It may determine not to exercise the Switch Option.

The Issuer may exercise the Switch Option by giving not less than five Business Days' notice to the Agent and (except in the case of Interbolsa Notes) the Trustee and (in respect of Interbolsa Notes) to the Common Representative and the Noteholders in accordance with Condition 15 (*Notices*). Following

exercise of the Switch Option:

- (i) on the relevant Switch Option Date (being the Interest Payment Date immediately following exercise of the Switch Option) the Interest Amount payable per Calculation Amount shall be the product of:
  - (A) the Interest Amount calculated in the manner stated in Condition 5(f) (*Interest on Fixed Rate Notes*) and in accordance with Condition 5(a) (*General Provisions relating to Interest*); and
  - (B) n,where "n" is the number of total Interest Payment Dates from the first Interest Payment Date to the one on which the Switch Option Date falls (by way of example, for the first Interest Payment Date in respect of the Notes "n" shall equal 1, for the second Interest Payment Date in respect of the Notes "n" shall equal 2 and so on);
- (ii) on each subsequent Interest Payment Date the Interest Amount payable per Calculation Amount shall be the Interest Amount calculated in the manner stated in Condition 5(f) (*Interest on Fixed Rate Notes*) and in accordance with Condition 5(a) (*General Provisions relating to Interest*); and
- (iii) if, in respect of the Switch Option, the "Par" Redemption Basis is specified to be applicable in the applicable Final Terms, then notwithstanding that a different Redemption Basis may be specified to be applicable in the Final Terms, the Redemption Amount per Calculation Amount in respect of the Notes will be equal to the Calculation Amount.

(e) **Switch Automatic Condition**

If Switch Automatic Condition is specified as applicable in the applicable Final Terms, and if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) (and each as defined in Condition 5(j)(i) (*Contingent Coupon*)) on any Valuation Date meets the Coupon Condition (as defined in Condition 5(j)(i) (*Contingent Coupon*)) specified in the applicable Final Terms, then the Interest Basis applicable to the Notes will automatically switch to Fixed Rate (as described in Condition 5(f) (*Interest on Fixed Rate Notes*)) with effect from the immediately following Interest Payment Date (the "**Automatic Switch Date**"). The Issuer shall as soon as is reasonably practicable give notice of the Automatic Switch Date to the Agent and (except in the case of Interbolsa Notes) the Trustee and (in respect of Interbolsa Notes) to the Common Representative and the Noteholders in accordance with Condition 15 (*Notices*).

Following satisfaction of the Coupon Condition:

- (i) on the Automatic Switch Date, the Interest Amount payable per Calculation Amount shall be the product of:
  - (A) the Interest Amount calculated in the manner stated in Condition 5(f) (*Interest on Fixed Rate Notes*) and in accordance with Condition 5(a) (*General Provisions relating to Interest*);
  - (B) n,where "n" is the number of total Interest Payment Dates from the first Interest Payment Date to the one on which the Automatic Switch Date falls (by way of example, for the first Interest Payment Date in respect of the Notes "n" shall equal 1, for the second Interest Payment Date in respect of the Notes "n" shall equal 2 and so on);
- (ii) on each subsequent Interest Payment Date the Interest Amount payable per Calculation Amount shall be the Interest Amount calculated in the manner stated in Condition 5(f) (*Interest on Fixed Rate Notes*) and in accordance with Condition 5(a) (*General Provisions relating to Interest*); and

- (iii) if, in respect of the Switch Automatic Condition, the "Par" Redemption Basis is specified to be applicable in the applicable Final Terms, then notwithstanding that a different Redemption Basis may be specified to be applicable in the Final Terms, the Redemption Amount per Calculation Amount in respect of the Notes will be equal to the Calculation Amount.

(f) ***Interest on Fixed Rate Notes***

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Interest Rate(s) payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date. If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

(g) ***Interest on Floating Rate Notes***

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date. The Interest Rate applicable from time to time in respect of Floating Rate Notes will be the relevant ISDA Rate or Screen Rate (as applicable) plus or minus (as indicated in the applicable Final Terms) the Margin (if any) all as calculated by the Agent or other person specified in the applicable Final Terms.

(i) ***ISDA Determination for Floating Rate Notes***

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be calculated by the Agent or other person specified in the applicable Final Terms under an interest rate swap transaction if the Agent or other person specified in the applicable Final Terms were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the "**ISDA Definitions**") and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate for the Specified Currency (being AUD, CAD, CHF, DKK, EUR, GBP, JPY, NZD, SEK or USD) ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**"), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (i), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(ii) ***Screen Rate Determination for Floating Rate Notes***

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Interest Rate is to be determined, the "**Screen Rate**" for an Interest Period will, subject as provided below, be either:

- (A) the offered quotation (where "Offered Quotation" is specified as applicable in the applicable Final Terms); or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations (where "Arithmetic Mean" is specified as applicable in the applicable Final Terms),

(expressed as a percentage rate per annum) for the Reference Rate for the Designated Maturity which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) (the "**Relevant Screen Time**") on the Interest Determination Date in question, all as calculated by the Agent or other person specified in the applicable Final Terms. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent or other person specified in the applicable Final Terms for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

In the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph:

- (A) if the Relevant Screen Page is not available or, if in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Agent shall request each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Screen Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Screen Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations, as calculated by the Agent; and
- (B) if on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Screen Rate for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Screen Time on the relevant Interest Determination Date, for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the relevant inter-bank market or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Screen Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the relevant inter-bank market, provided that, if the Screen Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Screen Rate shall be determined as at the last preceding Interest Determination Date for the last preceding Interest Period.

**(h) Inflation-Linked Interest**

The Following Business Day Convention shall apply to Inflation-Linked Interest Notes unless a different Business Day Convention is specified to apply in the Final Terms. The Interest Amount for each Interest Period shall be notified to the Noteholders in accordance with Condition 15 (*Notices*), as soon as such amount is calculated by the Issuer.

**(i) General**

If the Interest Basis specified in the applicable Final Terms is "Inflation-Linked", the Interest Rate may be fixed or floating, as specified in the applicable Final Terms, and the Interest Amount for each Interest Period shall be calculated in the manner stated in Condition 5(f)

(*Interest on Fixed Rate Notes*) or Condition 5(g) (*Interest on Floating Rate Notes*) respectively, and, in each case, in accordance with Condition 5(a) (*General Provisions relating to Interest*), and multiplied by the Inflation Rate.

(ii) *Binary Inflation Cap*

If the Interest Basis specified in the applicable Final Terms is "Binary Inflation Cap", "**Interest Rate**" means either (A) if the Inflation Rate is greater than or equal to the Strike Level, the Interest Rate will be equal to the Coupon, or (B) otherwise, zero.

(iii) *Binary Inflation Floor*

If the Interest Basis specified in the applicable Final Terms is "Binary Inflation Floor", "**Interest Rate**" will either (A) if the Inflation Rate is less than or equal to the Strike Level, be equal to the Coupon, or (B) otherwise, be zero.

(iv) *Binary Inflation Range*

If the Interest Basis specified in the applicable Final Terms is "Binary Inflation Range", "**Interest Rate**" will either (A) if the Inflation Rate is greater than or equal to the Strike Lower and less than or equal to the Strike Upper, be equal to the Coupon, or (B) otherwise, be zero.

(v) *Inflation Range Accrual*

If the Interest Basis specified in the applicable Final Terms is "Inflation Range Accrual", the "**Interest Rate**" in respect of any Interest Period will be equal to the Coupon multiplied by the result of the fraction where the numerator is the number of Valuation Dates falling in such Interest Period in respect of which the Range Accrual Condition is satisfied, and the denominator is the total number of Valuation Dates falling in such Interest Period.

The "**Range Accrual Condition**" will be satisfied on any Valuation Date that the Inflation Rate is greater than or equal to the Strike Lower and less than or equal to the Strike Upper on the applicable Valuation Date.

(vi) *Inflation Cap/Floor*

If the Interest Basis specified in the applicable Final Terms is "Inflation Cap/Floor", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount, the Gearing, the Inflation Return and the applicable Day Count Fraction.

"**Gearing**" means the value specified in the applicable Final Terms.

"**Inflation Return**" means the higher of:

- (A) zero; and
- (B) the product of the Flag and the result of subtracting the Strike Level from the Inflation Rate.

"**Flag**" means the value specified in the applicable Final Terms.

(vii) *ZC Inflation Cap Floor*

If the Interest Basis specified in the applicable Final Terms is "ZC Inflation Cap Floor", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount, the Gearing, the applicable Day Count Fraction and the higher of:

- (A) zero; and

(B) the Inflation Return.

"**Gearing**" means the value specified in the applicable Final Terms.

"**Inflation Return**" means the product of:

- (i) the Flag; and
- (ii) the result of subtracting the Strike Deductible from the Inflation Rate.

"**Strike Deductible**" means:

- (i) the sum of 1 and the Strike Level;
- (ii) raised to the power of the Tenor;
- (iii) less 1.

"**Flag**" means the value specified in the applicable Final Terms.

"**Tenor**" means the value specified in the applicable Final Terms.

(viii) *Inflation Linker*

If the Interest Basis specified in the applicable Final Terms is "Inflation Linker", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount, the Gearing, the applicable Day Count Fraction and the Inflation Return.

"**Gearing**" means the value specified in the applicable Final Terms.

"**Inflation Return**" means the higher of:

- (i) zero; and
- (ii) the sum of the Inflation Rate and X.

"**X**" means the value specified in the applicable Final Terms (and may be a floating Interest Rate).

(i) *Zero Coupon Notes*

If the Notes are "Zero Coupon Notes", the Notes shall not bear interest. Zero coupon Notes may be issued at a discount and redeemed at their Principal Amount. Alternatively, zero coupon Notes may be issued at their Principal Amount and redeemed at a higher Redemption Amount as specified in the applicable Final Terms and which, in any such case, shall be paid on the Maturity Date.

*Unless otherwise stated in the applicable Final Terms, Notes shall not be Zero coupon Notes and on redemption of the Notes, any payment of Redemption Amount over or below the Principal Amount shall be considered as interest or yield.*

(j) *Index Interest Notes*

Each Index Interest Note bears interest from (and including) the Interest Commencement Date. The interest to be paid in respect of each Index Interest Note shall be indexed to the price or performance of the relevant Reference Asset(s) (Interest).

Where a Reference Rate is required to be determined in this Condition 5(j) (*Index Interest Notes*), such Reference Rate shall be determined in accordance with the provisions relating to determination of a Screen Rate set out in Condition 5(g)(ii) (*Screen Rate Determination for Floating Rate Notes*), save

that all references in Condition 5(g)(ii) to the "Relevant Screen Time" shall be deemed to be references to the "Valuation Time" and all references to the "Interest Determination Date" shall be deemed to be references to the "Initial Valuation Date" or "Valuation Date" , as applicable.

(i) *Contingent Coupon*

If the Interest Basis specified in the applicable Final Terms is "Contingent Coupon", and if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) on any Valuation Date, as applicable, meets the Coupon Condition then the Notes will pay an Interest Amount on the immediately succeeding Interest Payment Date. The amount of any such Interest Amount will be determined as follows:

- (A) if "Flat Coupon" is specified in the applicable Final Terms, the Interest Amount will be equal to the product of the Calculation Amount and the relevant Coupon;
- (B) if "Memory Coupon" is specified in the applicable Final Terms the Interest Amount will be equal to the product of the Calculation Amount and the relevant Coupon, multiplied by the number of immediately preceding Interest Payment Dates (up to and including the Interest Payment Date immediately following the applicable Valuation Date) for which an Interest Amount has not been paid;
- (C) if "Plus Flat Coupon" is specified in the applicable Final Terms the Interest Amount will be equal to the product of the Calculation Amount and the higher of: (a) the relevant Coupon and (b) the Bonus Factor;
- (D) if "Plus Memory Coupon" is specified in the applicable Final Terms the Interest Amount will be equal to the product of the Calculation Amount and the higher of: (a) the relevant Coupon, multiplied by the number of immediately preceding Interest Payment Dates (up to and including the Interest Payment Date immediately following the applicable Valuation Date) for which an Interest Amount has not been paid and (b) the Bonus Factor;
- (E) if "Adjusted Memory Coupon" is specified in the applicable Final Terms the Interest Amount will be equal to the product of the Calculation Amount and the amount determined by subtracting (a) the sum of previously paid Interest Amounts (expressed as a percentage of the relevant Calculation Amount) from (b) the product of (i) the relevant Coupon and (ii) the number of preceding Interest Payment Dates (up to and including the Interest Payment Date immediately following the applicable Valuation Date); or
- (F) if "Twin Win Coupon" is specified in the applicable Final Terms the Interest Amount will be equal to the product of the Calculation Amount and the higher of: (a) Basket Bullish Return multiplied by the Participation Ratio; and (b) Basket Bearish Return multiplied by the Participation Ratio 2; where:

**"Basket Bearish Return"** means the sum of the Weighted Asset Return for each Reference Asset (Interest) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Interest) in the Basket, for the purposes of which:

**"Basket Participation (Interest)"** means the fixed percentage specified in the applicable Final Terms in relation to the relevant Reference Entity (Interest).

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Interest) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Interest) by its Initial Price; and

**"Weighted Asset Return"** means, in respect of a Reference Asset (Interest), its Reference Asset Return multiplied by the applicable Basket Participation (Interest); and

**"Basket Bullish Return"** means the sum of the Weighted Asset Return for each Reference Asset (Interest) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Interest) in the Basket, for the purposes of which:

**"Basket Participation (Interest)"** means the fixed percentage specified in the applicable Final Terms in relation to the relevant Reference Entity (Interest);

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Interest) on any Valuation Date, by dividing the Final Price for such Reference Asset (Interest) by its Initial Price and subtracting the Strike Level; and

**"Weighted Asset Return"** means, in respect of a Reference Asset (Interest), its Reference Asset Return multiplied by the applicable Basket Participation (Interest). Whether or not the "Coupon Condition" is satisfied on a Valuation Date will be determined as follows:

- (1) if "Bullish Coupon Condition – Type 1" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, is greater than or equal to one or more specified Coupon Barrier Level(s) on such Valuation Date;
- (2) if "Bullish Coupon Condition – Type 2" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, has always closed greater than or equal to one or more specified Coupon Barrier Level(s) during the Valuation Period ending on (and including) such Valuation Date;
- (3) if "Bullish Coupon Condition – Type 3" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, has always traded (continuous observation) greater than or equal to one or more specified Coupon Barrier Level(s) during the Valuation Period ending on (and including) such Valuation Date;
- (4) if "Range Coupon Condition – Type 1" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, is within the specified Range(s) on any Valuation Date;
- (5) if "Range Coupon Condition – Type 2" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms,

has always closed within the specified Range(s) during the Valuation Period ending on (and including) such Valuation Date;

- (6) if "Range Coupon Condition – Type 3" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, has always traded (continuous observation) within the specified Range(s) during the Valuation Period ending on (and including) such Valuation Date;
- (7) if "Bearish Coupon Condition – Type 1" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, is at or below one or more specified Coupon Barrier Level(s) on any Valuation Date;
- (8) if "Bearish Coupon Condition – Type 2" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, has always closed at or below one or more specified Coupon Barrier Level(s) during the Valuation Period ending on (and including) such Valuation Date; and
- (9) if "Bearish Coupon Condition – Type 3" is specified in the applicable Final Terms, the Coupon Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value, as specified in the applicable Final Terms, has always traded (continuous observation) at or below one or more specified Coupon Barrier Level(s) during the Valuation Period ending on (and including) such Valuation Date.

The "**Bonus Factor**", "**Basket Value**" and "**Reference Asset Value**" will be:

- (i) if "Basket Rate" is specified as applicable in the applicable Final Terms, the "**Bonus Factor**" will be the Basket Return and the "**Basket Value**" will be the Basket Return plus the Strike Level;
- (ii) if "*Reference Asset Rate*" is specified as applicable in the applicable Final Terms, the "**Bonus Factor**" will be the Reference Asset Return and the "**Reference Asset Value**" will be the Final Price of the Reference Asset (Interest) on the relevant Valuation Date divided by the Initial Price of the Reference Asset (Interest); or
- (iii) if "*Best of/Nth Best of/Worst of Rate*" is specified as applicable in the applicable Final Terms, the "**Bonus Factor**" will be the Reference Asset Return of the Nth best performing Reference Asset (Interest) and the "**Reference Asset Value**" will be the Final Price of the Nth best performing Reference Asset (Interest) on the relevant Valuation Date divided by the Nth best Initial Price of the performing Reference Asset (Interest).

If the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value on any Valuation Date does not meet the Coupon Condition, no interest will be payable on the immediately succeeding Interest Payment Date.

The "**Reference Asset Return**" and "**Basket Return**" will be calculated in accordance with the Redemption Basis applicable to the Notes pursuant to Condition 7(1) (*Redemption Bases for Redemption at Maturity*), save that any references in Condition 7(1) to "Reference Asset (Principal)" shall be deemed to be references to "Reference Asset (Interest)".

- (ii) *Digital Podium Long*

If the Interest Basis specified in the applicable Final Terms is "Digital Podium Long", then either:

- (A) if the Reference Asset Return of each Reference Asset (Interest) on any Valuation Date is greater than or equal to the relevant Barrier Level, the Interest Amount for the relevant Interest Period will be the product of the Calculation Amount, the applicable Day Count Fraction and the Coupon;
- (B) if the Reference Asset Return of each of the N best performing Reference Assets (Interest) (but not all the Reference Assets (Interest)) is greater than or equal to the relevant Barrier Level on any Valuation Date, the Interest Amount for the relevant Interest Period will be the product of the Calculation Amount, the applicable Day Count Fraction and Coupon 2;
- (C) if the Reference Asset Return of each of the Z best performing Reference Assets (Interest) (but not all the Reference Assets (Interest)) is greater than or equal to the relevant Barrier Level on any Valuation Date, the Interest Amount for the relevant Interest Period will be the product of the Calculation Amount, the applicable Day Count Fraction and Coupon 3; or
- (D) if the Reference Asset Return of each of the Reference Assets (Interest) is not greater than or equal to the relevant Barrier Level on any Valuation Date, the Interest Amount for the relevant Interest Period will be Coupon 4.

"Reference Asset Return" in respect of a Reference Asset (Interest) on any Valuation Date means the result obtained by dividing the Final Price for such Reference Asset by the Initial Price and subtracting the Strike Level.

"N" and "Z" are integers specified in the applicable Final Terms.

(iii) *Digital Podium Short*

If the Interest Basis specified in the applicable Final Terms is "Digital Podium Short", then:

- (A) if the Reference Asset Return of each Reference Asset (Interest) on any Valuation Date is equal to or below the relevant Barrier Level, the Interest Amount for the relevant Interest Period will be the product of the Calculation Amount, the applicable Day Count Fraction and the Coupon;
- (B) if the Reference Asset Return of each of the N best performing Reference Asset(s) (Interest) is equal to or below the relevant Barrier Level on any Valuation Date, the Interest Amount for the relevant Interest Period will be the product of the Calculation Amount, the applicable Day Count Fraction and Coupon 2;
- (C) if the Reference Asset Return of each of the Z best performing Reference Assets (Interest) (but not all the Reference Assets (Interest)) is equal to or below the relevant Barrier Level on any Valuation Date, the Interest Amount for the relevant Interest Period will be the product of the Calculation Amount, the applicable Day Count Fraction and Coupon 3; or
- (D) if the Reference Asset Return of each of the Reference Assets (Interest) is not equal to or below the relevant Barrier Level on any Valuation Date, the Interest Amount for the relevant Interest Period will be Coupon 4.

"Reference Asset Return" in respect of a Reference Asset (Interest) on any Valuation Date means the result obtained by dividing the Final Price for such Reference Asset (Interest) by the Initial Price and subtracting the Strike Level.

"N" and "Z" are integers specified in the applicable Final Terms.

(iv) *Strip of Call Spreads*

If the Interest Basis specified in the applicable Final Terms is "Strip of Call Spreads", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount and the higher of:

- (A) Minimum Basket Return; and
- (B) the Basket Return (Interest).

If "Individual Cap (Interest)" is applicable then each "Reference Asset Return (Interest)" is subject to a pre-determined maximum percentage value of X.

**"Basket Return (Interest)"** means the sum of the Weighted Asset Return (Interest) for each Reference Asset (Interest) in the Basket.

**"Weighted Asset Return (Interest)"** means, in respect of a Reference Asset (Interest), its Reference Asset Return (Interest) multiplied by the applicable Basket Participation, each as at the relevant Valuation Date.

**"Reference Asset Return (Interest)"** means the result obtained by dividing the Final Price for the relevant Reference Asset (Interest) on the applicable Valuation Date by the Initial Price and subtracting the Strike Level.

**"X"** means the value specified in the applicable Final Terms.

(v) *Series of Digitals*

If the Interest Basis specified in the applicable Final Terms is "Series of Digitals", then the Interest Amount for the relevant Interest Period will be equal to the product of the Adjusted Calculation Amount, the applicable Day Count Fraction and the Coupon.

**"Adjusted Calculation Amount"** means the Calculation Amount multiplied by the fraction of which the numerator is the number of Reference Assets (Interest) in the Basket with a Closing Price which is equal to or above the relevant Barrier Level on the applicable Valuation Date and the denominator is the number of Reference Assets (Interest) in the Basket.

(vi) *Capped Floor Float*

If the Interest Basis specified in the applicable Final Terms is "Capped Floor Float", the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

- (A) the lower of the Cap Strike and the Adjusted Reference Rate Return; and
- (B) the Day Count Fraction.

**"Adjusted Reference Rate Return"** means the higher of:

- (A) the sum of the Reference Rate at the Valuation Time on the applicable Valuation Date and the applicable Spread; and
- (B) the Floor Strike.

**"Spread"** means the percentage specified in the applicable Final Terms.

(vii) *Cap Floor Spread*

If the Interest Basis specified in the applicable Final Terms is "Cap Floor Spread", the Interest Amount for the applicable Interest Period will be an amount equal to the sum of the Cap Spread Amount and the Floor Spread Amount.

"**Cap Spread Amount**" means an amount equal to the Calculation Amount multiplied by:

- (A) the Cap Value;
- (B) the Leverage (Cap);
- (C) the Cap Return; and
- (D) the Day Count Fraction.

"**Cap Value**" means either 1, minus 1 or zero, as specified in the applicable Final Terms.

"**Leverage (Cap)**" means the value specified in the applicable Final Terms.

"**Cap Return**" means the lower of:

- (A) the result obtained by subtracting the Cap Strike Lower from the Cap Strike Upper; and
- (B) the higher of (x) the result obtained by subtracting the Cap Strike Lower from the Reference Rate at the Valuation Time on the applicable Valuation Date; and (y) zero.

"**Floor Spread Amount**" means an amount equal to the Calculation Amount multiplied by:

- (A) the Floor Value;
- (B) the Leverage (Floor)
- (C) the Floor Return; and
- (D) the Day Count Fraction.

"**Floor Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

"**Leverage (Floor)**" means the value specified in the applicable Final Terms.

"**Floor Return**" means the lower of:

- (A) the result obtained by subtracting the Floor Strike Lower from the Floor Strike Upper; and
- (B) the higher of (x) the result obtained by subtracting the Reference Rate from the Floor Strike Upper at the Valuation Time on the applicable Valuation Date and (y) zero.

(viii) *Range Accrual*

If the Interest Basis specified in the applicable Final Terms is "Range Accrual", the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

- (A) X;
- (B) the Relevant Proportion; and

(C) the Day Count Fraction.

"X" shall be the value specified in the applicable Final Terms (and may be a floating Interest Rate).

The "**Relevant Proportion**" shall be calculated by dividing the number of calendar days during the relevant Interest Period on which the Reference Rate, Reference Asset (Interest) or Basket is lower than or equal to Strike Upper and greater than or equal to the Strike Lower at the Valuation Time on such calendar day, by the total number of calendar days during the applicable Interest Period. If on any calendar day the level of the Reference Rate, Reference Asset (Interest) or Basket, as applicable, is not available, the level of the Reference Rate, Reference Asset (Interest) or Basket, as applicable, shall be deemed to be the level of the Reference Rate, Reference Asset (Interest) or Basket, as applicable, at the Valuation Time on the immediately preceding calendar day on which a level was available.

"**Strike Upper**" and "**Strike Lower**" mean the values specified in the applicable Final Terms for the applicable Interest Period.

(ix) *Range Accrual In/Out*

If the Interest Basis specified in the applicable Final Terms is "Range Accrual In/Out", the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

(A) the Adjusted Range Performance; and

(B) the Day Count Fraction.

"**Adjusted Range Performance**" means the higher of the Floor Strike and the Range Performance.

"**Range Performance**" means the result obtained by subtracting the Range Failure Value from the Range Success Value, and dividing the result by the total number of calendar days during the applicable Interest Period.

"**Range Success Value**" means the product of X and the number of calendar days during the relevant Interest Period where the Reference Rate is lower than Strike Upper and greater than the Strike Lower at the Valuation Time on such calendar day. If on any calendar day the level of the Reference Rate is not available, the level of the Reference Rate shall be deemed to be the level of the Reference Rate at the Valuation Time on the immediately preceding calendar day on which a level was available.

"**Range Failure Value**" means the product of Y and the number of calendar days during the relevant Interest Period where the Reference Rate is greater than Strike Upper or lower than the Strike Lower at the Valuation Time on such calendar day. If on any calendar day the level of the Reference Rate is not available, the level of the Reference Rate shall be deemed to be the level of the Reference Rate at the Valuation Time on the immediately preceding calendar day on which a level was available.

"X" and "Y" mean the values specified in the applicable Final Terms (and may be a floating Interest Rate).

(x) *Knockout Range Accrual*

If the Interest Basis specified in the applicable Final Terms is "Knockout Range Accrual", the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

(A) X;

- (B) the Relevant Proportion; and
- (C) the Day Count Fraction.

"X" shall be the value specified in the applicable Final Terms (and may be a floating Interest Rate).

"**Relevant Proportion**" means, in relation to each applicable Interest Period:

- (A) if no Knock Out Event has occurred in any previous Interest Period(s) or in the current Interest Period, the Relevant Proportion shall be 1 (one);
- (B) if a Knock Out Event occurs for the first time in the current Interest Period, the Relevant Proportion shall be calculated by dividing the number of Observation Dates in the current Interest Period occurring prior to the Knock Out Event by the total number of Observation Dates in the applicable Interest Period; or
- (C) if a Knock Out Event has occurred in a previous Interest Period, the Relevant Proportion shall be 0 (zero).

A "**Knock Out Event**" will occur on any Observation Date falling in an Interest Period if the Reference Rate is greater than Strike Upper or lower than Strike Lower at the Valuation Time on such Observation Date.

(xi) *Binary Cap/Floor*

If the Interest Basis specified in the applicable Final Terms is "Binary Cap/Floor", then:

If the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than or equal to the Cap Strike, the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

- (A) X; and
- (B) the Day Count Fraction.

If the Reference Rate at the Valuation Time on the applicable Valuation Date is less than the Cap Strike, the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

- (A) Z; and
- (B) the Day Count Fraction.

If the Reference Rate at the Valuation Time on the applicable Valuation Date is less than or equal to the Floor Strike, the Interest Amount will be equal to the Calculation Amount multiplied by:

- (A) Y; and
- (B) the Day Count Fraction.

If the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than the Floor Strike, the Interest Amount will be equal to the Calculation Amount multiplied by:

- (A) W; and
- (B) the Day Count Fraction.

"W", "X", "Y" and "Z" mean the values specified in the applicable Final Terms.

(xii) *Inverse Floater*

If the Interest Basis specified in the applicable Final Terms is "Inverse Floater", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount, the Reference Rate Return and the applicable Day Count Fraction.

"Reference Rate Return" means the sum of Y and the lower of

- (A) Z and
- (B) the higher of: (x) zero; and (y) k multiplied by the result of subtracting the Reference Rate at the Valuation Time on the applicable Valuation Date from X.

"k", "X", "Y" and "Z" mean the values specified in the applicable Final Terms.

(xiii) *Power Cap/Floor*

If the Interest Basis specified in the applicable Final Terms is "Power Cap/Floor", the "Interest Rate" will be the lower of the Maximum Interest Rate and the Power Return.

"Power Return" means the higher of: (i) zero and (ii) the Adjusted Reference Rate Return, in either case raised to the power of the Power Factor.

"Adjusted Reference Rate Return" means the product of the Gearing and the result obtained by subtracting the Strike Level from the Reference Rate at the Valuation Time on the relevant Valuation Date.

"Gearing" means the value specified in the applicable Final Terms.

"Power Factor" means the value specified in the applicable Final Terms.

(xiv) *Lock-In 1*

If the Interest Basis specified in the applicable Final Terms is "Lock-In 1", the "Interest Rate" for such Interest Period will be either:

- (A) if the Lock-in Condition has been satisfied on any Valuation Date, then the Interest Rate will be equal to the Fixed Rate; or
- (B) if the Lock-in Condition has not been satisfied on any Valuation Date, the Interest Rate will be the lower of the Maximum Interest Rate and the Adjusted Reference Rate Return.

The "Lock in Condition" will be satisfied on any Valuation Date if the Reference Rate at the Valuation Time on such Valuation Date is either greater than the Strike Upper or lower than the Strike Lower.

"Fixed Rate" means the percentage specified in the applicable Final Terms.

"Adjusted Reference Rate Return" means the higher of:

- (i) the Floor; and
- (ii) the sum of the Reference Rate at the Valuation Time on the relevant Valuation Date and the Spread, less the Strike Level.

"Spread" means the percentage specified in the applicable Final Terms.

(xv) *Lock-In 2*

If the Interest Basis specified in the applicable Final Terms is "Lock-In 2", the "Interest Rate" for such Interest Period will be either:

- (A) if the Lock-in Condition has not been satisfied on any Valuation Date, then the Interest Rate will be equal to the Fixed Rate; or
- (B) if the Lock-in Condition has been satisfied on any Valuation Date, the Interest Rate will be the lower of the Maximum Interest Rate and the Adjusted Reference Rate Return.

The "**Lock in Condition**" will be satisfied on any Valuation Date if the Reference Rate at the Valuation Time on such Valuation Date is either greater than the Strike Upper or lower than the Strike Lower.

"**Fixed Rate**" means the percentage specified in the applicable Final Terms.

"**Adjusted Reference Rate Return**" means the higher of:

- (i) the Floor; and
- (ii) the sum of the Reference Rate at the Valuation Time on any Valuation Date and the Spread, less the Strike Level.

"**Spread**" means the percentage specified in the applicable Final Terms.

(xvi) *Snowball*

If the Interest Basis specified in the applicable Final Terms is "Snowball", the "Interest Rate" for such Interest Period will be equal to the Coupon Return for each applicable Valuation Period.

"**Coupon Return**" means:

- (i) on the Initial Valuation Date, the Initial Coupon;
- (ii) on each subsequent Valuation Date, the Adjusted Coupon.

"**Adjusted Coupon**" means the higher of:

- (i) zero; and
- (ii) the sum of:
  - (A) Coupon Return on the immediately preceding Valuation Date; and
  - (B) the product of (X) the result obtained by subtracting the Reference Rate at the Valuation Time on the applicable Valuation Date from the Strike Level, and (Y) K.

"**K**" means the value specified in the applicable Final Terms.

(xvii) *Accumulator*

If the Interest Basis specified in the applicable Final Terms is "Accumulator", the "Interest Rate" for such Interest Period will be equal to the Coupon Return for each applicable Valuation Period.

**"Coupon Return"** means:

- (i) on the Initial Valuation Date, the Initial Coupon;
- (ii) on each subsequent Valuation Date, the sum of:
  - (A) the Coupon Return on the immediately preceding Valuation Date; and
  - (B) the Adjusted Coupon.

**"Adjusted Coupon"** means the Gearing multiplied by the higher of:

- (i) the Floor; and
- (ii) the result obtained by subtracting the Strike Level from the Reference Rate at the Valuation Time on the applicable Valuation Date.

**"Gearing"** means the value specified in the applicable Final Terms.

**"Floor"** means the value specified in the applicable Final Terms.

(xviii) *Binary Accumulator*

If the Interest Basis specified in the applicable Final Terms is "Binary Accumulator", the "Interest Rate" for such Interest Period will be equal to the Coupon Return for each applicable Valuation Period.

**"Coupon Return"** means:

- (i) on the Initial Valuation Date, the Initial Coupon;
- (ii) on each subsequent Valuation Date, the sum of:
  - (A) the Coupon Return on the immediately preceding Valuation Date; and
  - (B) the Adjusted Coupon.

**"Adjusted Coupon"** means the higher of:

- (i) the Floor; and
- (ii) the Coupon Rate.

**"Floor"** means the value specified in the applicable Final Terms.

**"Coupon Rate"** means:

- (i) if the Reference Rate at the Valuation Time on the applicable Valuation Date is less than or equal to X and greater than or equal to Y, the Coupon; or
- (ii) otherwise, zero.

**"X"** and **"Y"** mean the values specified in the applicable Final Terms.

(xix) *Contingent Cap/Floor*

If the Interest Basis specified in the applicable Final Terms is "Contingent Cap/Floor", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than or equal to Strike 2 the higher of:
  - (i) zero; and
  - (ii) the Gearing multiplied by the result obtained by subtracting the Strike Level from the Reference Rate on the applicable Valuation Date; or
- (B) if the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is less than Strike 2, zero.

"Reference Rate 2" is specified in the applicable Final Terms.

"Strike 2" means the percentage specified in the applicable Final Terms.

"Gearing" means the value specified in the applicable Final Terms.

(xx) *Dual Digital Cap – Type 1*

If the Interest Basis specified in the applicable Final Terms is "Dual Digital Cap – Type 1", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than or equal to the Strike Level and the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than or equal to Strike 2, the Coupon;
- (B) if the Reference Rate at the Valuation Time on the applicable Valuation Date is lower than the Strike Level and/or the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is lower than Strike 2, zero.

"Reference Rate 2" means the percentage specified in the applicable Final Terms.

"Strike 2" means the percentage specified in the applicable Final Terms.

(xxi) *Dual Digital Cap - Type 2*

If the Interest Basis specified in the applicable Final Terms is "Dual Digital Cap - Type 2", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Asset Return (Interest) for Reference Asset 1 is greater than or equal to the applicable Strike Level and the Reference Asset Return (Interest) for Reference Asset 2 is greater than or equal to the applicable Strike Level, the Coupon;
- (B) if the Reference Rate at the Valuation Time on the applicable Valuation Date is lower than the applicable Strike Level and/or the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is lower the applicable Strike Level, zero.

"Reference Asset Return (Interest)" means the result obtained by dividing the Final Price for the relevant Reference Asset (Interest) on the applicable Valuation Date by the Initial Price and subtracting the Strike Level.

"Reference Asset (Interest) 1" and "Reference Asset (Interest) 2" mean the Reference Asset (Interest) allocated number "1" and number "2", respectively, in the applicable Final Terms.

(xxii) *Dual Digital Floor – Type 1*

If the Interest Basis specified in the applicable Final Terms is "Dual Digital Floor – Type 1", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Rate at the Valuation Time on the applicable Valuation Date is less than or equal to the Strike Level and the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is less than or equal to Strike 2, the Coupon;
- (B) if the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than the Strike Level and/or the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than Strike 2, zero.

"**Reference Rate 2**" means the percentage specified in the applicable Final Terms.

"**Strike 2**" means the percentage specified in the applicable Final Terms.

(xxiii) *Dual Digital Floor - Type 2*

If the Interest Basis specified in the applicable Final Terms is "Dual Digital Floor - Type 2", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Asset Return (Interest) for Reference Asset 1 is less than or equal to the applicable Strike Level and the Reference Asset Return (Interest) for Reference Asset 2 is less than or equal to the applicable Strike Level, the Coupon;
- (B) if the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than the applicable Strike Level and/or the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than the applicable Strike Level, zero.

"**Reference Asset Return (Interest)**" means the result obtained by dividing the Final Price for the relevant Reference Asset (Interest) on the applicable Valuation Date by the Initial Price and subtracting the Strike Level.

"**Reference Asset (Interest) 1**" and "**Reference Asset (Interest) 2**" mean the Reference Asset (Interest) allocated number "1" and number "2", respectively, in the applicable Final Terms.

(xxiv) *Double No Touch –Type 1*

If the Interest Basis specified in the applicable Final Terms is "Double No Touch –Type 1", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Asset (Interest) has always traded within the specified Range during the applicable Valuation Period, the Maximum Interest Rate; or
- (B) if the Reference Asset (Interest) has ever traded outside the specified Range during the applicable Valuation Period, the Minimum Interest Rate.

(xxv) *Double No Touch –Type 2*

If the Interest Basis specified in the applicable Final Terms is "Double No Touch –Type 2", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Asset (Interest) has always closed within the specified Range during the applicable Valuation Period, the Maximum Interest Rate; or
- (B) if the Reference Asset (Interest) has ever closed outside the specified Range during the applicable Valuation Period, the Minimum Interest Rate.

(xxvi) *Wedding Cake –Type 1*

If the Interest Basis specified in the applicable Final Terms is "Wedding Cake – Type 1", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Asset (Interest) has always traded within the specified Range 1 during the applicable Valuation Period, the Coupon;
- (B) if the Reference Asset (Interest) has always traded within the specified Range 2 but outside the specified Range 1 during the relevant Valuation Period, Coupon 2; or
- (C) if the Reference Asset (Interest) has ever traded outside the specified Range 1 and the specified Range 2 during the relevant Valuation Period, the Minimum Interest Rate.

(xxvii) *Wedding Cake – Type 2*

If the Interest Basis specified in the applicable Final Terms is "Wedding Cake – Type 2", the "Interest Rate" for such Interest Period will be:

- (A) if the Reference Asset (Interest) has always closed within the specified Range 1 during the applicable Valuation Period, the Coupon;
- (B) if the Reference Asset (Interest) has always closed within the specified Range 2 but outside the specified Range 1 during the relevant Valuation Period, Coupon 2; or
- (C) if the Reference Asset (Interest) has ever closed outside the specified Range 1 and the specified Range 2 during the Valuation Period, the Minimum Interest Rate.

(xxviii) *Step Up Growth*

If the Interest Basis specified in the applicable Final Terms is "Step Up Growth", the Interest Amount for the applicable Interest Period will be paid on the Maturity Date and will be equal to the Calculation Amount multiplied by:

- (A) if the Basket Return is less than the Basket Return Barrier 1 on the final Valuation Date, the Minimum Interest Rate;
- (B) if the Basket Return is greater than or equal to the Basket Return Barrier 1 and below the Basket Return Barrier 2 on the final Valuation Date, Coupon 2; and
- (C) if the Basket Return is greater than or equal to the Basket Return Barrier 2 on the final Valuation Date, the Basket Return.

"**Basket Return Barrier 1**" means the amount specified in the applicable Final Terms.

"**Basket Return Barrier 2**" means the amount specified in the applicable Final Terms.

"**Basket Return**" will be calculated in accordance with the Redemption Basis applicable to the Notes pursuant to Condition 7(l) (*Redemption Bases for Redemption at Maturity*), save that any references in Condition 7(l) to "Reference Asset (Principal)" shall be deemed to be references to "Reference Asset (Interest)".

(xxix) *Twin Win – Type 1*

If the Interest Basis specified in the applicable Final Terms is "Twin Win – Type 1", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount and:

- (A) if the Basket Return has always traded within the relevant Basket Return Range during the relevant Valuation Period, the higher of (i) the Minimum Basket Return and (ii) the Absolute Value of the Basket Return; and
- (B) if the Basket Return has ever traded outside the relevant Basket Return Range during the relevant Valuation Period, the Coupon (Rebate).

**"Basket Return"** will be calculated in accordance with the Redemption Basis applicable to the Notes pursuant to Condition 7(1) (*Redemption Bases for Redemption at Maturity*), save that any references in Condition 7(1) to "Reference Asset (Principal)" shall be deemed to be references to "Reference Asset (Interest)".

(xxx) *Twin Win – Type 2*

If the Interest Basis specified in the applicable Final Terms is "Twin Win – Type 2", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount and:

- (A) if the Basket Return has always closed within the relevant Basket Return Range during the relevant Valuation Period, the higher of (i) the Minimum Basket Return and (ii) the Absolute Value of the Basket Return; and
- (B) if the Basket Return has ever closed outside the relevant Basket Return Range during the relevant Valuation Period, the Coupon (Rebate).

**"Basket Return"** will be calculated in accordance with the Redemption Basis applicable to the Notes pursuant to Condition 7(1) (*Redemption Bases for Redemption at Maturity*), save that any references in Condition 7(1) to "Reference Asset (Principal)" shall be deemed to be references to "Reference Asset (Interest)".

(xxxii) *Buffer Basket*

If the Interest Basis specified in the applicable Final Terms is "Buffer Basket", the Interest Amount for the applicable Interest Period will be an amount equal to the product of the Calculation Amount and the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of (i) the Coupon and (ii) the product of the Basket Return (Interest) and the Participation Ratio.

**"Basket Return (Interest)"** means the sum of the Weighted Asset Return (Interest) for each Reference Asset (Interest) in the Basket.

**"Weighted Asset Return (Interest)"** means, in respect of a Reference Asset (Interest), its Reference Asset Return (Interest) multiplied by the applicable Basket Participation, each as at the relevant Valuation Date.

**"Reference Asset Return (Interest)"** means the result obtained by dividing the Final Price for the relevant Reference Asset (Interest) on the applicable Valuation Date by the Initial Price and subtracting the Strike Level.

**"Coupon"** means the amount specified in the applicable Final Terms.

(xxxiii) *Hybrid Range Accrual*

If the Interest Basis specified in the applicable Final Terms is "Hybrid Range Accrual", the Interest Amount for the applicable Interest Period will be an amount equal to the Calculation Amount multiplied by:

- (A) X;
- (B) the Relevant Proportion; and
- (C) the Day Count Fraction.

**"X"** shall be the value specified in the applicable Final Terms (and may be a floating Interest Rate).

The "**Relevant Proportion**" shall be calculated by dividing the number of calendar days during the relevant Interest Period on which Hybrid Range Accrual Condition 1 and 2 are met at the Valuation Time on such calendar day, by the total number of calendar days during the applicable Interest Period. If, on any calendar day, the level of Reference Rate, Reference Asset (Interest) or Basket, as applicable, is not available, the level of the Reference Rate, Reference Asset (Interest) or Basket, as applicable, shall be deemed to be the level of the Reference Rate, Reference Asset (Interest) or Basket, as applicable, at the Valuation Time on the immediate preceding calendar day on which a level was available.

*Hybrid Range Accrual Condition 1:* the Reference Rate 1 or Reference Asset (Interest) 1 is lower than or equal to Y and greater than or equal to Z.

*Hybrid Range Accrual Condition 2:* the Reference Rate 2 or Reference Asset (Interest) 2 is lower than or equal to W and greater than or equal to K.

**(k) Compounding Floater Notes**

If the Interest Basis specified in the applicable Final Terms is "Compounding Floater", the Interest Amount for the applicable Interest Period will be paid on the Maturity Date and will be equal to the Calculation Amount multiplied by the Compounded Interest Rate.

Where a Reference Rate is required to be determined in this Condition 5(k) (*Compounding Floater Notes*), such Reference Rate shall be determined in accordance with the provisions relating to determination of a Screen Rate set out in Condition 5(g)(ii) (*Screen Rate Determination for Floating Rate Notes*), save that all references in Condition 5(g)(ii) to the "Relevant Screen Time" shall be deemed to be references to the "Valuation Time" and all references to the "Interest Determination Date" shall be deemed to be references to "Valuation Date".

"**Compounded Interest Rate**" means the periodically compounded Interest Rate, taking the applicable day count fraction into account.

"**Interest Rate**" means the lower of the Maximum Interest Rate and the Adjusted Reference Rate Return.

"**Adjusted Reference Rate Return**" means the higher of:

- (i) the Floor; and
- (ii) the Gearing multiplied by the sum of the Reference Rate on the applicable Valuation Date and the Spread.

"**Spread**" means the percentage specified in the applicable Final Terms.

"**Gearing**" means the value specified in the applicable Final Terms.

**(l) Credit-Linked Notes (CLNs) - Interest**

- (i) *Single Reference Entity CLN*

If the Interest Basis specified in the applicable Final Terms is "Single Reference Entity CLN", the Interest Rate may be fixed or floating, as specified in the applicable Final Terms, and the Interest Amount for each Interest Period shall be calculated in the manner specified in either Condition 5(f) (*Interest on Fixed Rate Notes*) or Condition 5(g) (*Interest on Floating Rate Notes*) and, in either case, in accordance with Condition 5(a) (*General Provisions relating to Interest*), save that if a Credit Event has occurred in relation to the Reference Entity (Interest) the Calculation Amount to which the Interest Rate is applied shall be zero with effect from the first day of the Interest Period in which the Credit Event occurred.

- (ii) *Non-Tranched CLN Interest*

If the Interest Basis specified in the applicable Final Terms is "Non-Tranched CLN Interest", the Interest Rate may be fixed or floating, as specified in the applicable Final Terms, and the Interest Amount for each Interest Period shall be calculated in the manner specified in either Condition 5(f) (*Interest on Fixed Rate Notes*) or Condition 5(g) (*Interest on Floating Rate Notes*) and, in either case, in accordance with Condition 5(a) (*General Provisions relating to Interest*), save that the Calculation Amount to which the Interest Rate is applied shall be either:

- (A) if "**Determination Date Exposure**" is specified in the applicable Final Terms, multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date immediately preceding the relevant Interest Payment Date, or
- (B) if "**Weighted Average Exposure**" is specified in the applicable Final Terms, multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the immediately preceding Observation Date to (but excluding) the Observation Date immediately preceding the relevant Interest Payment Date, as calculated by the Issuer in its sole discretion.

"**Adjusted Portfolio Return (Interest)**" means the result obtained by subtracting the Adjusted Portfolio Loss (Interest) from 1.

"**Adjusted Portfolio Loss (Interest)**" means the sum of the Default Weighting for each Reference Entity (Interest) in the Basket.

"**Default Weighting**" shall be calculated by multiplying the Basket Participation (Interest) by the Default Value in respect of each Reference Entity (Interest).

"**Basket Participation (Interest)**" means the fixed percentage specified in the applicable Final Terms in relation to the relevant Reference Entity (Interest).

"**Default Value**" in respect of any Reference Entity (Interest) means 100 per cent. minus the Recovery Value.

"**Recovery Value**" means 100 per cent. if a Credit Event (as defined in Annex 2 (*Additional Conditions for Credit-Linked Notes*) of these Conditions) has not occurred in relation to that Reference Entity (Interest) since the Observation Start Date or, if such a Credit Event has occurred, zero.

(iii) *Tranched CLN Interest*

If the Interest Basis specified in the applicable Final Terms is "Tranched CLN Interest", the Interest Rate may be fixed or floating, as specified in the applicable Final Terms, and the Interest Amount for each Interest Period shall be calculated in the manner specified in either Condition 5(f) (*Interest on Fixed Rate Notes*) or Condition 5(g) (*Interest on Floating Rate Notes*) and, in either case, in accordance with Condition 5(a) (*General Provisions relating to Interest*), save that the Calculation Amount to which the Interest Rate is applied shall be either:

- (A) if "**Determination Date Exposure**" is specified in the applicable Final Terms, multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date immediately preceding the relevant Interest Payment Date, or
- (B) if "**Weighted Average Exposure**" is specified in the applicable Final Terms, multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the immediately preceding Observation Date to (but excluding) the Observation Date immediately preceding the relevant Interest Payment Date, as calculated by the Issuer in its sole discretion.

"**Adjusted Portfolio Return (Interest)**" means the result obtained by subtracting the Adjusted Tranche Loss (Interest) from 1.

"**Adjusted Tranche Loss (Interest)**" means the result obtained by dividing the lower of (a) the Tranche Attachment Range and (b) the Tranche Loss (Interest), by the Tranche Attachment Range.

The "**Tranche Loss (Interest)**" will be calculated by adding the Coupon Risk Factor to the higher of:

- (A) zero; and
- (B) the result obtained by subtracting the Tranche Attachment Point from the sum of the Weighted Asset Loss (Interest) for each Reference Entity (Interest) in the Basket.

"**Weighted Asset Loss (Interest)**" means the product of the Basket Participation (Interest) and the Reference Entity Loss (Interest) for the relevant Reference Entity (Interest).

"**Basket Participation (Interest)**" means the fixed percentage specified in the applicable Final Terms in relation to the relevant Reference Entity (Interest).

"**Reference Entity Loss (Interest)**" means the result obtained by subtracting the Recovery Value in respect of the relevant Reference Entity (Interest) from 1.

"**Recovery Value**" means 100 per cent. if a Credit Event (as defined in Annex 2 (*Additional Conditions for Credit-Linked Notes*) of these Conditions) has not occurred in relation to that Reference Entity (Interest) since the Observation Start Date or, if such a Credit Event has occurred, either a Fixed Recovery Value or a Market Recovery Value (as specified in the applicable Final Terms), in each case specified as a percentage.

"**Coupon Risk Factor**" means the greater of (i) zero and (ii) the sum of the Weighted Asset Recovery (Interest) less the result obtained by subtracting the Tranche Detachment Point from 1.

"**Weighted Asset Recovery (Interest)**" means the product of the Basket Participation (Interest) and the Recovery Value for the relevant Reference Entity (Interest).

(iv) *Nth to Default CLN Interest*

If the Interest Basis specified in the applicable Final Terms is "Nth to Default CLN Interest", the Interest Rate may be fixed or floating, as specified in the applicable Final Terms, and the Interest Amount for each Interest Period shall be calculated in the manner specified in either Condition 5(f) (*Interest on Fixed Rate Notes*) or Condition 5(g) (*Interest on Floating Rate Notes*) and, in either case, in accordance with Condition 5(a) (*General Provisions relating to Interest*), save that the Calculation Amount to which the Interest Rate is applied shall be either:

- (A) if "**Determination Date Exposure**" is specified in the applicable Final Terms, multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date immediately preceding the relevant Interest Payment Date, or
- (B) if "**Weighted Average Exposure**" is specified in the applicable Final Terms, multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the immediately preceding Observation Date to (but excluding) the Observation Date immediately preceding the relevant Interest Payment Date, as calculated by the Issuer in its sole discretion.

"**Adjusted Portfolio Return (Interest)**" means the result obtained by subtracting the Adjusted Portfolio Loss (Interest) from 1.

"**Adjusted Portfolio Loss (Interest)**" means (a) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) in the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately

preceding the relevant Interest Payment Date, is greater than or equal to N, 1; or (b) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) in the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date, is less than N, zero.

"N" means be the figure specified in the applicable Final Terms.

(v) *Nth and Nth+1 to Default CLN Interest*

If the Interest Basis specified in the applicable Final Terms is "Nth and Nth+1 to Default CLN Interest", the Interest Rate may be fixed or floating, as specified in the applicable Final Terms, and the Interest Amount for each Interest Period shall be calculated in the manner specified in either Condition 5(f) (*Interest on Fixed Rate Notes*) or Condition 5(g) (*Interest on Floating Rate Notes*) and, in either case, in accordance with Condition 5(a) (*General Provisions relating to Interest*), save that the Calculation Amount to which the Interest Rate is applied shall be either:

- (A) if "**Determination Date Exposure**" is specified in the applicable Final Terms, multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date immediately preceding the relevant Interest Payment Date, or
- (B) if "**Weighted Average Exposure**" is specified in the applicable Final Terms, multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the immediately preceding Interest Payment Date to (but excluding) the Observation Date immediately preceding the relevant Interest Payment Date, as calculated by the Issuer in its sole discretion.

"**Adjusted Portfolio Return (Interest)**" means be the result obtained by subtracting the Adjusted Portfolio Loss (Interest) from 1.

"**Adjusted Portfolio Loss (Interest)**" means:

- (A) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) in the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date is greater than N, the sum of the Basket Participation (Interest) of the Nth Reference Entity (Interest) to default and the Nth plus 1 (i.e. the immediately succeeding) Reference Entity (Interest) to default in the Basket; or
- (B) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) in the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date is equal to N, an amount equal to the Basket Participation (Interest) of the Nth Reference Entity (Interest) in respect of which a Credit Event occurs; or
- (C) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) in the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date, is less than N, zero.

"**Basket Participation (Interest)**" means the fixed percentage specified in the applicable Final Terms in relation to the relevant Reference Entity (Interest).

"N" means the figure specified in the applicable Final Terms.

(m) *Early Redemption Condition*

If the "Early Redemption Condition" is specified as applicable in the applicable Final Terms, then if the Early Redemption Condition is satisfied at any time during the relevant Interest Period, interest shall

accrue and be payable in respect of such Interest Period but interest shall cease to accrue or be payable in respect of the Notes with effect from the immediately following Interest Period.

The "**Early Redemption Condition**" will be satisfied if notice has been given by the Issuer to the Noteholders that the Notes will be redeemed early in accordance with Condition 7(o) (*Early Redemption of Notes with Autocallable Redemption Basis*) or Condition 7(p) (*Early Redemption of Notes with Target Redemption Structure*).

**(n) Dual Currency Notes**

In the case of Dual Currency Notes, the Settlement Currency shall be different from the Issue Currency and any Interest Amount payable shall be calculated by multiplying the Interest Amount in the Issue Currency calculated in accordance with the relevant provision(s) of this Condition 5 (*Interest*) by the applicable Exchange Rate on such date and time as the Agent deems appropriate. Interbolsa Notes may be Dual Currency Notes provided that the information required for such purpose is made available to Interbolsa by the Issuer or by the Portuguese Paying Agent, pursuant to the Interbolsa applicable procedures in this respect.

"**Exchange Rate**" means the prevailing exchange rate expressed as the number of units of the Issue Currency equivalent to one unit of the Settlement Currency, as determined by the Agent in its sole discretion.

"**Issue Currency**" means the currency specified in the applicable Final Terms.

"**Settlement Currency**" means the currency specified in the applicable Final Terms.

**(o) Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up outstanding nominal amount of such Notes.

**(p) Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date scheduled for its redemption. In such event interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Notes have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given in accordance with Condition 15 (*Notices*).

**(q) FX Components**

If "FX Components (Interest)" is specified as applicable in the applicable Final Terms and if the Reference Asset Return is used in the formulation of the applicable Interest Amount or Interest Rate under the applicable Interest Basis in accordance with Condition 5(j) (*Index Interest Notes*), then the Reference Asset Return shall be determined by either:

**(i) Bullish FX Return – Type 1**

If "Bullish FX Return – Type 1" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (A) the Final FX Rate minus the Strike Level; by
- (B) the Initial FX Rate.

**(ii) Bullish FX Return – Type 2**

If "Bullish FX Return – Type 2" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (A) the Final FX Rate minus the Strike Level; by
- (B) the Final FX Rate.
- (iii) *Bearish FX Return – Type 1*

If "Bearish FX Return – Type 1" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (A) the Strike Level minus the Final FX Rate; by
- (B) the Initial FX Rate.
- (iv) *Bearish FX Return – Type 2*

If "Bearish FX Return – Type 2" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (A) the Strike Level minus the Final FX Rate; by
- (B) the Final FX Rate.

## **6. Payments**

### **(a) Method of Payment**

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian or New Zealand dollars, shall be Sydney or Auckland, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*). References to "**Specified Currency**" will include any successor currency under applicable law.

### **(b) Payments Subject to Fiscal and Other Laws**

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable (but without prejudice to the provisions of Condition 8 (*Taxation*)), and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8 (*Taxation*)) any law implementing an intergovernmental approach thereto.

### **(c) Bearer Notes: Presentation of Definitive Notes, Receipts and Coupons**

Payments of principal in respect of Definitive Notes will be made in the manner provided in paragraph (a) above only against presentation and surrender of Definitive Notes, and payments of interest,

including arrears of interest (if any), in respect of Definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Note to which it appertains. Receipts presented without the Definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Definitive Notes which are Fixed Rate Notes (other than Dual Currency Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Note (other than a Fixed Rate Note which is not also a Dual Currency Note) in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Note or Registered Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note or Registered Note, as the case may be.

**(d) *Payments in respect of Global Notes***

Payments of principal and interest (including arrears of interest (if any)) in respect of any Global Note will be made in the manner specified above in relation to Definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note, if the Global Note is not issued in new global form, to or to the order of the Agent at the specified office of any Paying Agent located outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note either by the Paying Agent to which it is presented or in the records of Euroclear or Clearstream, Luxembourg, as applicable.

Unless otherwise specified, the holder of a Global Note (or, as provided in the Trust Deed, the Trustee) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal

amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note. No person other than the holder of such Global Note or the Trustee, as the case may be, shall have any claim against the Issuer in respect of any payments due on such Global Note.

**(e) *Payments in respect of Interbolsa Notes***

Payment of principal and interest in respect of Interbolsa Notes will be credited by the Issuer in the payment current-account which the Portuguese Paying Agent uses for payments in respect of securities held through Interbolsa, and (i) **if made in euro** will be (a) credited, according to the procedures and regulations of Interbolsa, by the Portuguese Paying Agent to the payment current account which the Affiliate Members of Interbolsa (whose control accounts with Interbolsa are credited with such Notes) use for payments in respect of securities held through Interbolsa and thereafter (b) credited by such Interbolsa Affiliate Members from the aforementioned payment current-accounts to the accounts of the Noteholders or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be; (ii) **if made in currencies other than euro** will be (a) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the Portuguese Paying Agent in the Foreign Currency Settlement System (*Sistema de Liquidação em Moeda Estrangeira*), managed by Caixa Geral de Depósitos, S.A., to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter (b) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the Noteholders of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, Luxembourg, as the case may be.

**(f) *Payments in respect of Registered Notes***

- (i) Payments of principal (which for the purposes of this Condition 6(f) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 6(f) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register on the Record Date, and "**Record Date**" means, in the case of a Global Certificate, at the close of business on the relevant clearing system business day before the due date for payment thereof or, in the case of Registered Notes in definitive form, at close of business on the fifteenth day before the due date for payment thereof. Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Certificate.

**(g) *General provisions applicable to payments (not applicable to Interbolsa Notes)***

Notwithstanding the foregoing provisions of this Condition 6 (*Payments*), if any amount of principal and/or interest in respect of any Note is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Note will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

**(h) *Payment Day***

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 9 (*Prescription*)) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments in:
  - (A) the relevant place of presentation (if presentation is required);
  - (B) in respect of Interbolsa Notes only, Lisbon; and
  - (C) each Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively), or (2) in relation to any sum payable in euro, a day on which the TARGET2 system is open.

**(i) *Interpretation of Principal and Interest***

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8 or, except in the case of Interbolsa Notes, pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed;
- (ii) the Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(e) (*Early Redemption Amounts*) below); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under

Condition 8 (*Taxation*), except in the case of Interbolsa Notes, or pursuant to any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

## **7. Redemption and Purchase**

### **(a) At Maturity**

Unless previously redeemed or purchased and cancelled as specified below:

- (i) each Senior Note and each Tier 2 Note other than, in each case, an Exempt Note, will be redeemed by the Issuer at its Redemption Amount on the Maturity Date specified in the applicable Final Terms; and
- (ii) each Senior Note and each Tier 2 Note that is an Exempt Note will be redeemed by the Issuer at its Redemption Amount on the Maturity Date specified in, or determined in the manner specified in, the applicable Pricing Supplement or if the Notes are Physical Delivery Notes, by delivery of the Asset Amount, subject to fulfilment of the provisions of the applicable Annex; and

The Redemption Amount will be an amount per Calculation Amount and (unless, in the case of Exempt Notes only, otherwise specified in the applicable Pricing Supplement) will be determined in accordance with one or more of the Redemption Bases specified in Condition 7(l) (*Redemption Bases for Redemption at Maturity*) below, subject always to Condition 7(m) (*Redemption Basis Modifiers*), if applicable, and the Final Terms will specify which of the Redemption Bases specified in Condition 7(l) (*Redemption Bases for Redemption at Maturity*) is applicable to each Series of Notes.

If the Interest Amount payable on the Maturity Date is a negative number, then it will be deducted from the Redemption Amount, but subject to the proviso that the Redemption Amount shall never be less than zero.

### **(b) Redemption for Tax Reasons**

Subject to Condition 7(s) (*Restriction on Early Redemption of Tier 2 Notes*), the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is a Fixed Rate Note) or on any Interest Payment Date (if this Note is not a Fixed Rate Note), on giving not less than 30 nor more than 60 days' notice to the Agent, the Trustee (except in respect of Interbolsa Notes), the Common Representative (in respect of Interbolsa Notes) and in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee (except in respect of Interbolsa Notes), the Common Representative (in respect of Interbolsa Notes only) and the Portuguese Paying Agent immediately prior to the giving of such notice that:

- (i) on the occasion of the next payment due in respect of the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Relevant Tax Jurisdiction (as defined in Condition 8 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

(such event, a "**Tax Event**") provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee (in respect of any Note other than an Interbolsa Note) or to the Portuguese Paying Agent and the Common Representative (in respect of Interbolsa Notes only) a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the

Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee or, as the case may be, the Agent and the Common Representative shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of such conditions precedent in which event they shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) (*Early Redemption Amounts*) below together (if appropriate) with interest accrued to (but excluding) the date of redemption, all arrears of interest (if any) and any interest due but unpaid.

(c) ***Redemption at the Option of the Issuer (Issuer Call)***

If "Issuer Call" is specified as applicable in the applicable Final Terms, subject to Condition 7(s) (*Restriction on Early Redemption of Tier 2 Notes*), the Issuer may, having given:

- (i) not less than the minimum number of days' notice nor more than the maximum number of days' notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 15 (*Notices*); and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Agent and (except in the case of Interbolsa Notes) the Trustee and (in respect of Interbolsa Notes) to the Common Representative;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only (as specified in the applicable Final Terms) of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date, all arrears of interest (if any) and any interest due but unpaid. The Optional Redemption Amount, in respect of each Note of a nominal amount equal to the Calculation Amount, will be the specified percentage of the Calculation Amount or other fixed amount specified in the applicable Final Terms. In the case of a partial redemption of Notes, (A) any such redemption must be of a nominal amount equal to the Minimum Optional Redemption Amount or a Higher Optional Redemption Amount and (B) the Notes to be redeemed ("**Redeemed Notes**") will be selected (i) individually by lot, in the case of Redeemed Notes represented by Definitive Notes, (ii) for Notes other than Interbolsa Notes in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), in the case of Redeemed Notes represented by a Global Note or a Global Certificate, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**") and (iii) in accordance with the rules of Interbolsa, in the case of Redeemed Notes that are Interbolsa Notes. In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 (*Notices*) not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 (*Notices*) at least 15 days prior to the Selection Date.

(d) ***Redemption at the Option of the Noteholders other than holders of Tier 2 Notes (Investor Put)***

If "Investor Put" is specified as applicable in the applicable Final Terms (provided that Investor Put may not be specified if this is a Tier 2 Note), upon the holder of any Note giving to the Issuer in accordance with Condition 15 (*Notices*) not less than the minimum number of days' notice nor more than the maximum number of days' notice specified in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem, in whole or in part (as specified in the applicable Final Terms), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. The Optional Redemption Amount, in respect of each Note of a nominal amount equal to the Calculation Amount, will be the specified percentage of the Calculation Amount or other fixed amount specified in the applicable Final Terms.

In the case of a Definitive Note or Registered Note held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of such Note the holder of the Note must deliver (in the case of Bearer Notes) such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, or (in the case of Registered Notes) the Registered Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office at any time during normal business hours of the Registrar or such Transfer Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent, the Registrar or any Transfer Agent (as applicable) (a "**Eurobond Put Notice**") and in which the holder must specify a bank account (or, if payment is to be made by cheque, an address) to which payment is to be made under this Condition. If this Note is represented by a Global Note or a Global Certificate or is a Definitive Note or Registered Note held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Paying Agent, Registrar or Transfer Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg any common depositary or common safekeeper or custodian, as the case may be, for them to the Paying Agent, Registrar or Transfer Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

If this Note is an Interbolsa Note, to exercise the right to require redemption of this Note the holder of this Note must, during normal business hours on a day falling within the notice period, deliver to the Portuguese Paying Agent a Certificate and a duly completed and signed notice of exercise in the form obtainable from the specified office of the Portuguese Paying Agent (an "**Interbolsa Notes Put Notice**", each Interbolsa Notes Put Notice or Eurobond Put Notice being a "**Put Notice**") and in which the holder of the Notes must specify a bank account or, if payment is required to be made by cheque, an address to which payment is to be made under this Condition.

(e) **Early Redemption Amounts**

For the purpose of paragraph (b) (*Redemption for Tax Reasons*) above and Condition 10 (*Events of Default relating to, and enforcement of, Senior Notes*) (if this Note is a Senior Note) and Condition 11 (*Events of Default relating to, and enforcement of, Tier 2 Notes*) (if this Note is a Tier 2 Note), each Note will be redeemed at its Early Redemption Amount calculated (per Calculation Amount) as follows:

- (i) in the case of a Note with a Redemption Amount equal to the Calculation Amount, at the Redemption Amount thereof;
- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a Partly Paid Note) with a Redemption Amount which is or may be less or greater than the Calculation Amount or which is payable in a Specified Currency other than that in which the Note is denominated, subject as provided below, the Early Redemption Amount per Calculation Amount shall be an amount calculated by the Agent, which on (i) in the case of redemption pursuant to Condition 7(b) (*Redemption for Tax Reasons*), the second (2nd) Business Day immediately preceding the due date for the early redemption of the Note or (ii) in the case of redemption pursuant to Condition 10 (*Events of Default relating to, and enforcement of, Senior Notes*) or Condition 11 (*Events of Default relating to, and enforcement of, Tier 2 Notes*), as applicable, the due date for the early redemption of the Note, represents the fair market value of the Note taking into account all factors which the Agent determines relevant (including, but not limited to, interest rates, index levels, implied volatilities in the option markets and exchange rates), less, Associated Costs. In respect of interest bearing Notes, the Early Redemption Amount, as calculated by the Agent in accordance with this paragraph, shall not include any accrued but unpaid interest save to the extent this may be taken into account, where appropriate, in determining the fair market value referred to above; or
- (iii) in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

"**RP**" means the Reference Price;

"**AY**" means the Accrual Yield expressed as a decimal; and.

"**y**" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360;

As used herein:

"**Associated Costs**" means an amount per Calculation Amount equal to such Note's pro rata share (determined on the basis of the nominal amount of the Note and the aggregate nominal amount of all Notes which have not previously been redeemed or cancelled as at the Early Redemption Date) of the total amount of any and all costs or expenses associated or incurred by the Issuer, any Affiliate and/or Hedging Party (as applicable) in connection with such early redemption, including, without limitation, any costs associated with unwinding, substituting, re-establishing and/or incurring the funding relating to the Notes and/or any costs associated with unwinding, substituting, re-establishing and/or incurring any hedge positions relating to the Notes, all as determined by the Agent acting in good faith and in a commercially reasonable manner.

"**Affiliate**" means, in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "control" means ownership of a majority of the voting power of an entity or person or, if the Agent determines appropriate, the power to direct or cause the direction of the management and policies of the First Entity, whether by contract, or otherwise.

"**Hedging Party**" means the Issuer and/or any Affiliate and/or any other party which conducts hedging arrangements in respect of the Issuer's obligations in respect of the Notes from time to time; or

- (v) in the case of Exempt Notes only, on such other calculation basis as may be specified in the applicable Pricing Supplement.

**(f) Deduction of Unwind Amount on Early Redemption**

If "Deduction of Unwind Amount on Early Redemption" is specified as applicable in the applicable Final Terms:

- (i) the Early Redemption Amount payable to the Noteholders for the purpose of paragraph (b) above and Condition 10 (Events of Default relating to, and enforcement of, Senior Notes) (if this Note is a Senior Note) and Condition 11 (Events of Default relating to, and enforcement of, Tier 2 Notes) (if this Note is a Tier 2 Note) shall be reduced by any applicable Unwind Amount.
- (ii) if the Redemption Basis specified in the applicable Final Terms is "Non-Tranched CLN", "Tranched CLN", "Nth to Default CLN" or "Nth and Nth+1 to Default CLN", the Redemption Amount payable to the Noteholders following the occurrence of a Credit Event shall be reduced by any applicable Unwind Amount.
- (iii) if the Redemption Basis specified in the applicable Final Terms is "Physically Settled CLN", the Unwind Amount shall be taken into account in determining the Asset Amount in accordance with Condition 7(f)(lviii) below.

For the purposes of this Condition (f), "**Unwind Amount**" means an amount determined by the Agent in its sole discretion in a commercially reasonable manner equal to each Note's pro rata proportion of the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with such early redemption, and the related termination, settlement or re-establishment of any hedge or related trading position, plus any amount payable by the relevant hedge counterparty or swap counterparty to the Issuer or minus any amount payable by the Issuer to the relevant hedge counterparty or swap counterparty equal to any amount payable as a result of the unwind of any swap transaction entered into in connection with the Notes, provided that such amount is greater than zero.

(g) **Instalments**

Instalment Notes will be redeemed in instalments equal to the Instalment Amount(s) on one or several the Instalment Dates, as specified in the applicable Final Terms.

(h) **Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition.

Partly Paid Notes will be subscribed at the Part Payment Amount(s) on the Part Payment Date(s) specified in the applicable Final Terms. The obligation to pay a Part Payment Amount on the relevant Part Payment Date is only incurred by the holders of the Notes on such Part Payment Date.

Partly Paid Notes will be redeemed on the Maturity Date by reference to their Calculation Amount and on any Early Redemption Date by reference to the aggregate amount paid up of their Calculation Amount as at the date fixed for redemption. In the event that any Noteholder fails to pay a Part Payment Amount on the relevant Part Payment Date (such date a "**Part Payment Default Date**"), any such Notes held by such Noteholder shall automatically be redeemed on the relevant Partly Paid Notes Early Redemption Date at the Settlement Amount.

As used herein:

"**Partly Paid Notes Early Redemption Date**" means, in respect of any Note, the seventh Business Day following a Part Payment Default Date;

"**Settlement Amount**" means, in respect of any Note, an amount calculated by the Agent in accordance with the following formula:

Max [0; [Paid-up Nominal Amount – Unwinding Costs]]

where:

"**Paid-up Nominal Amount**" means, in respect of any Part Payment Date, the paid-up nominal amount of the relevant Note up to (and including) the applicable Part Payment Date. Interest will neither accrue nor be payable in respect of the period from and including the applicable Part Payment Default Date to and including the applicable Early Redemption Date.

"**Unwinding Costs**" means the *pro rata* share, in respect of each Note, of the losses (expressed as a positive number) or the gains (expressed as a negative number) of unwinding all hedging arrangements (taking into account the present value of any Part Payment Amount(s) remaining to be paid in respect of the Notes) entered into or purchased by the Issuer in respect of the Notes.

(i) **Purchases**

HIIP, Haitong Bank or any of Haitong Bank's other Subsidiaries (as defined in the Trust Deed) may (subject to the prior consent of the Regulator in the case of Tier 2 Notes (if such consent is required by the Applicable Banking Regulations)) at any time purchase Notes (provided that, in the case of Definitive Notes, all unmaturing Receipts, Coupons and Talons appertaining thereto are purchased

therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Relevant Issuer, surrendered to any Paying Agent for cancellation.

**(j) Cancellation**

All Global Notes and Definitive Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Global Notes and Definitive Notes so cancelled and all Global Notes and Definitive Notes purchased and cancelled pursuant to paragraph (h) (*Purchases*) above (together with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

All Interbolsa Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer or Haitong Bank (where the Issuer is HIIP) or any of its Subsidiaries will forthwith be cancelled by Interbolsa following receipt by Interbolsa of notice thereof by the Portuguese Paying Agent, and accordingly such Interbolsa Notes may not be held, reissued or resold and shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 16 (*Meetings of Noteholders, Modification and Waiver*) or the Agency Agreement, as amended by the Interbolsa Notes Agency Agreement.

**(k) Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 10 (*Events of Default relating to, and enforcement of, Senior Notes*) (if this Note is a Senior Note) or Condition 11 (*Events of Default relating to, and enforcement of, Tier 2 Notes*) (if this Note is a Tier 2 Note) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Agent or (except in case of Interbolsa Notes) the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*).

**(l) Redemption Bases for Redemption at Maturity**

**(i) Par**

If the Redemption Basis specified in the applicable Final Terms is "Par", the Redemption Amount per Calculation Amount will be equal to the Calculation Amount.

**(ii) Basket Bullish**

If the Redemption Basis specified in the applicable Final Terms is "Basket Bullish", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Basket Return and the Participation Ratio.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and

- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(iii) *Basket Bearish*

If the Redemption Basis specified in the applicable Final Terms is "Basket Bearish", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Basket Return and the Participation Ratio.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(iv) *Buffer Basket Bullish*

If the Redemption Basis specified in the applicable Final Terms is "*Buffer Basket Bullish*", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of (i) the Coupon and (ii) the product of the Basket Return and the Participation Ratio.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

"**Coupon**" means an amount in the Specified Currency specified in the applicable Final Terms.

(v) *Buffer Basket Bearish*

If the Redemption Basis specified in the applicable Final Terms is "*Buffer Basket Bearish*", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of (i) Coupon and (ii) the product of the Basket Return and the Participation Ratio.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

"**Coupon**" means an amount in the Specified Currency specified in the applicable Final Terms.

(vi) *Bullish One Touch – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "*Bullish One Touch – Type 1*", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return is greater than or equal to the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Basket Return is less than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(vii) *Bullish One Touch – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Bullish One Touch– Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return is greater than or equal to the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Basket Return is less than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(viii) *Bearish One Touch – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Bearish One Touch– Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return is equal to or less than the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Basket Return is greater than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(ix) *Bearish One Touch – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Bearish One Touch– Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return is equal to or less than the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Basket Return is greater than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(x) *Best of/Worst of Bullish One Touch – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Bullish One Touch – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Reference Asset Return of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Reference Asset Return of the Nth best performing Reference Asset (Principal) is less than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"N" is an integer specified in the applicable Final Terms.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xi) *Best of/Worst of Bullish One Touch – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Bullish One Touch – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Reference Asset Return of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Reference Asset Return of the Nth best performing Reference Asset (Principal) is less than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"N" is an integer specified in the applicable Final Terms. "**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(xii) *Best of/Worst of Bearish One Touch – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Bearish One Touch – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Reference Asset Return of the Nth best performing Reference Asset (Principal) is equal to or less than the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Reference Asset Return of the Nth best performing Reference Asset (Principal) is greater than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"N" is an integer specified in the applicable Final Terms.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xiii) *Best of/Worst of Bearish One Touch – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Bearish One Touch – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Reference Asset Return of the Nth best performing Reference Asset (Principal) is equal to or less than the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the Maximum Basket Return; or
- (B) if such Reference Asset Return of the Nth best performing Reference Asset (Principal) is greater than the Barrier Level on every Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"N" is an integer specified in the applicable Final Terms.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(xiv) *Performance Long– Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Performance Long – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return on the final Valuation Date is less than the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return; or
- (B) if the Basket Return on the final Valuation Date is greater than or equal to the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.

For the avoidance of doubt, an Interest Amount may be payable in accordance with Condition 5(j)(i) (*Contingent Coupon*).

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return; and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xv) *Performance Long – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Performance Long – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return on the final Valuation Date is less than Barrier Level 1 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return;
- (B) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 1 minus the Basket Strike Level but less than Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
  - (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or

- (C) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
- (1) the Basket Return multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xvi) *Performance Long– Type 3'*

If the Redemption Basis specified in the applicable Final Terms is "Performance Long – Type 3", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.
- (B) if the Basket Return is never less than Barrier Level 1 minus the Basket Strike Level on any Valuation Date and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
  - (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or
- (C) if the Basket Return is ever less than Barrier Level 1 minus the Basket Strike Level on any Valuation Date and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xvii) *Performance Short – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Performance Short – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return on the final Valuation Date is less than the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return; or
- (B) if the Basket Return on the final Valuation Date is greater than or equal to the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.

For the avoidance of doubt, an Interest Amount may be payable in accordance with Condition 5(j)(i) (*Contingent Coupon*).

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** will be calculated by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(xviii) *Performance Short – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Performance Short – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return on the final Valuation Date is less than Barrier Level 1 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return;
- (B) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 1 minus the Basket Strike Level but less than Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
  - (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or
- (C) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(xix) *Performance Short – Type 3'*

If the Redemption Basis specified in the applicable Final Terms is "Performance Short – Type 3",

the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.

- (B) if the Basket Return on any Valuation Date is never less than Barrier Level 1 minus the Basket Strike Level and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
- (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or;
- (C) if the Basket Return on any Valuation Date is ever during the term of the Notes less than Barrier Level 1 minus the Basket Strike Level and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(xx) *Best of/Worst of KI Performance Long – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI Performance Long – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of Participation Ratio 2 and the Reference Asset Return of the Nth best performing Reference Asset; or
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Reference Asset Return of the Nth best performing Reference Asset (Principal) multiplied by the Participation Ratio; and

- (2) the Minimum Basket Return.

"N" is an integer specified in the applicable Final Terms.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxi) *Best of/Worst of KI Performance Long – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI Performance Long – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than Barrier Level 1, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset;
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 1 but less than Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
- (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
- (2) if "Reference Asset Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Reference Asset Return of the Nth best performing Reference Asset; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
- (1) the Reference Asset Return of the Nth best performing Reference Asset (Principal) multiplied by Participation Ratio 2; and
- (2) the Minimum Basket Return.

"N" is an integer specified in the applicable Final Terms.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxii) *Best of/Worst of KI Performance Long – Type 3'*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI Performance Long – Type 3", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher:
- (1) the Reference Asset Return of the Nth best performing Reference Asset (Principal) multiplied by Participation Ratio 2; and
  - (2) the Minimum Basket Return.
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is never less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
- (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Reference Asset Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by Absolute Value of the Reference Asset Return of the Nth best performing Reference Asset; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is ever during the term of the Notes less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset.

"N" is an integer specified in the applicable Final Terms.

"Reference Asset Return" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxiii) *Best of/Worst of KI and Full Basket Performance Long – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI and Full Basket Performance Long – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of Participation Ratio 2 and the Basket Return; or
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level, the Redemption Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by the Participation Ratio; and

- (2) the Minimum Basket Return;

"N" is an integer specified in the applicable Final Terms.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxiv) *Best of/Worst of KI and Full Basket Performance Long – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI and Full Basket Performance Long – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than Barrier Level 1, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of Participation Ratio and the Basket Return,
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 1 but less than Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
  - (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by the Participation Ratio 2; and
  - (2) the Minimum Basket Return;

"N" is an integer specified in the applicable Final Terms.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxv) *Best of/Worst of KI and Full Basket Performance Long – Type 3'*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI and Full Basket Performance Long – Type 3", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by the Participation Ratio 2; and
  - (2) the Minimum Basket Return;
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is never less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
  - (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is ever during the term of the Notes less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return.

"N" is an integer specified in the applicable Final Terms.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxvi) *Best of/Worst of KI and Basket Performance Long - Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI and Basket Performance Long - Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of Participation Ratio 2 and the Reference Asset Return of the Nth best performing Reference Asset; or
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:
  - (1) the Basket Return multiplied by the Participation Ratio; and
  - (2) the Minimum Basket Return;

"N" is an integer specified in the applicable Final Terms.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxvii) *Best of/Worst of KI and Basket Performance Long – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI and Basket Performance Long – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than Barrier Level 1, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset;
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 1 but less than Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
  - (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or;
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of (a) the Basket Return multiplied by Participation Ratio 2 and (b) the Minimum Basket Return.

"N" is an integer specified in the applicable Final Terms.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxviii) *Best of/Worst of KI and Basket Performance Long – Type 3'*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of KI and Basket Performance Long – Type 3", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher

of (a) the Basket Return multiplied by Participation Ratio 2 and (b) the Minimum Basket Return;

- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is never less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by either:
- (1) if "Bonus Coupon" is specified as applicable in the applicable Final Terms, the Bonus Coupon; or
  - (2) if "Basket Return" is specified as applicable in the applicable Final Terms, the Participation Ratio 3 multiplied by the Absolute Value of the Basket Return; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is ever during the term of the Notes less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset;

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

"N" is an integer specified in the applicable Final Terms.

(xxix) *Locked Basket*

If the Redemption Basis specified in the applicable Final Terms is "Locked Basket", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:

- (A) the Basket Return multiplied by the Participation Ratio; and
- (B) the Minimum Basket Return.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation, provided that the Reference Asset Return of the Nth best performing Reference Assets (Principal), will be replaced with

the Replacement Factor for the purposes of determining the Weighted Asset Return of the relevant Reference Assets (Principal).

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

"N" is an integer specified in the applicable Final Terms.

(xxx) *Individually Capped Basket*

If the Redemption Basis specified in the applicable Final Terms is "Individually Capped Basket", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:

- (A) the Basket Return multiplied by the Participation Ratio; and
- (B) the Minimum Basket Return.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means the lower of: (i) the Reference Asset Return and (ii) the Maximum Performance, multiplied in either case by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxxii) *Rainbow Basket*

If the Redemption Basis specified in the applicable Final Terms is "Rainbow Basket", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:

- (A) the Basket Return multiplied by the Participation Ratio; and
- (B) the Minimum Basket Return.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means the Reference Asset Return multiplied in each case by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

The "**Basket Participation**" will be determined on the basis of Rainbow Basket Participation.

(xxxiii) *Cliquet*

If the Redemption Basis specified in the applicable Final Terms is "Cliquet", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an amount calculated by multiplying the Calculation Amount by the Participation Ratio and the highest of:

- (A) the Final Lock-in Level;

- (B) the Cliquet Return; and
- (C) the Global Floor.

"**Final Lock-in Level**" means the highest Lock-in Level which is reached or exceeded by the Aggregate Basket Return on any Valuation Date.

"**Lock-in Level**" means each level specified as such in the applicable Final Terms.

"**Cliquet Return**" means the lower of:

- (A) the Global Cap; and
- (B) the Adjusted Coupon.

"**Adjusted Coupon**" means the Initial Coupon plus the Aggregate Basket Return as at the most recently occurring Valuation Date.

"**Global Cap**" means the value specified in the applicable Final Terms. If the Global Cap is specified as not applicable in the applicable Final Terms, the Global Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount per Calculation Amount.

"**Global Floor**" means the value specified in the applicable Final Terms. If the Global Floor is specified as not applicable in the applicable Final Terms, the Global Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount per Calculation Amount.

"**Initial Coupon**" means the percentage specified in the applicable Final Terms.

"**Aggregate Basket Return**" on any Valuation Date means the sum of the Adjusted Periodic Basket Returns in respect of such Valuation Date and all prior Valuation Dates.

"**Adjusted Periodic Basket Return**" as at any Valuation Date means the higher of:

- (A) the Local Floor; and
- (B) the lower of: (1) the Local Cap and (2) the Unadjusted Periodic Basket Return.

"**Local Cap**" means the value specified in the applicable Final Terms. If the Local Cap is specified as not applicable in the applicable Final Terms, the Local Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount per Calculation Amount.

"**Local Floor**" means the value specified in the applicable Final Terms. If the Local Floor is specified as not applicable in the applicable Final Terms, the Local Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount per Calculation Amount.

"**Unadjusted Periodic Basket Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by taking the sum of the Weighted Asset Returns as at the applicable Valuation Date and subtracting the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date, and expressing that result as a percentage of the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** in respect of a Reference Asset (Principal) on any Valuation Date in respect of a Reference Asset (Principal) on any Valuation Date is calculated by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxxiii) *Reverse Cliquet*

If the Redemption Basis specified in the applicable Final Terms is "Reverse Cliquet", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an amount calculated by multiplying the Calculation Amount by the Participation Ratio and the highest of:

- (A) the Final Lock-in Level;
- (B) the Cliquet Return; and
- (C) the Global Floor.

**"Final Lock-in Level"** is the highest Lock-in Level which is reached or exceeded by the Aggregate Basket Return on any Valuation Date.

**"Lock-in Level"** means each level specified as such in the applicable Final Terms.

**"Cliquet Return"** means the lower of:

- (A) the Global Cap; and
- (B) the Adjusted Coupon.

**"Adjusted Coupon"** means the Initial Coupon minus the Aggregate Basket Return as at the most recently occurring Valuation Date

**"Global Cap"** means the value specified in the applicable Final Terms. If the Global Cap is specified as not applicable in the applicable Final Terms, the Global Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Global Floor"** means the value specified in the applicable Final Terms. If the Global Floor is specified as not applicable in the applicable Final Terms, the Global Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Initial Coupon"** means the percentage specified in the applicable Final Terms.

**"Aggregate Basket Return"** on any Valuation Date means the sum of the Adjusted Periodic Basket Returns in respect of such Valuation Date and all prior Valuation Dates.

**"Adjusted Periodic Basket Return"** as at any Valuation Date means the higher of:

- (A) the Local Floor; and
- (B) the lower of: (1) the Local Cap and (2) the Unadjusted Periodic Basket Return.

**"Local Cap"** means the value specified in the applicable Final Terms. If the Local Cap is specified as not applicable in the applicable Final Terms, the Local Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Local Floor"** means the value specified in the applicable Final Terms. If the Local Floor is specified as not applicable in the applicable Final Terms, the Local Floor shall be ascribed a

notional value of zero for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Unadjusted Periodic Basket Return"** on any Valuation Date means the result obtained by taking the sum of the Weighted Asset Returns as at such Valuation Date and subtracting the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date, and expressing that result as a percentage of the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal) on any Valuation Date, the Reference Asset Return of such Reference Asset on such Valuation Date multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) as at such Valuation Date by its Initial Price and subtracting the Strike Level.

(xxxiv) *Replacement Cliquet*

If the Redemption Basis specified in the applicable Final Terms is "Replacement Cliquet", the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an amount calculated by multiplying the Calculation Amount by the Participation Ratio and the highest of:

- (A) the Final Lock-in Level;
- (B) the Cliquet Return; and
- (C) the Global Floor.

**"Final Lock-in Level"** means the highest Lock-in Level which is reached or exceeded by the Aggregate Basket Return on any Valuation Date.

**"Lock-in Level"** means each level specified as such in the applicable Final Terms.

**"Cliquet Return"** means the lower of:

- (A) the Global Cap; and
- (B) the Adjusted Coupon.

**"Adjusted Coupon"** means the Initial Coupon plus the Aggregate Basket Return as at the most recently occurring Valuation Date.

**"Aggregate Basket Return"** on any Valuation Date means the sum of the Adjusted Periodic Basket Returns in respect of such Valuation Date and all prior Valuation Dates

**"Global Cap"** means the value specified in the applicable Final Terms. If the Global Cap is specified as not applicable in the applicable Final Terms, the Global Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Global Floor"** means the value specified in the applicable Final Terms. If the Global Floor is specified as not applicable in the applicable Final Terms, the Global Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Initial Coupon"** means the percentage specified in the applicable Final Terms.

**"Local Cap"** means the value specified in the applicable Final Terms. If the Local Cap is specified as not applicable in the applicable Final Terms, the Local Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Local Floor"** means the value specified in the applicable Final Terms. If the Local Floor is specified as not applicable in the applicable Final Terms, the Local Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount per Calculation Amount.

**"Unadjusted Periodic Basket Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by taking the sum of the Weighted Asset Returns as at the applicable Valuation Date and subtracting the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date, and expressing that result as a percentage of the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** in respect of a Reference Asset (Principal) on any Valuation Date in respect of a Reference Asset (Principal) on any Valuation Date is calculated by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

**"Adjusted Periodic Basket Return"** as at any Valuation Date means the Unadjusted Periodic Basket Return, save that in respect of the Valuation Date(s) with the N highest Unadjusted Periodic Basket Returns, the Unadjusted Periodic Basket Return shall be replaced with the relevant Fixed Periodic Basket Return specified in the applicable Final Terms.

"N" is an integer specified in the applicable Final Terms.

**"Fixed Periodic Basket Return"** is a percentage specified in the applicable Final Terms.

(xxxv) *Reverse Convertible Structure Long – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Reverse Convertible Structure Long – Type 1", the Redemption Amount will be determined as follows:

- (A) if the Basket Return on the final Valuation Date is less than the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return (in this case the Redemption Amount per Calculation Amount will be less than the Calculation Amount); or
- (B) if the Basket Return on the final Valuation Date is greater than or equal to the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxxvi) *KI Reverse Convertible Structure Long – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "KI Reverse Convertible Structure Long – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return is ever less than Barrier Level 1 minus the Basket Strike Level on any Valuation Date and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return ;
- (B) if the Basket Return is never less than Barrier Level 1 minus the Basket Strike Level on any Valuation Date and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount; or
- (C) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xxxvii) *Reverse Convertible Structure Short – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Reverse Convertible Structure Short – Type 1", the Redemption Amount will be determined as follows:

- (A) if the Basket Return on the final Valuation Date is less than the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return (in this case the Redemption Amount per Calculation Amount will be less than the Calculation Amount); or
- (B) if the Basket Return on the final Valuation Date is greater than or equal to the Barrier Level minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price on the relevant Valuation Date and expressed as a percentage.

(xxxviii) *KI Reverse Convertible Structure Short – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "KI Reverse Convertible Structure Short – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Basket Return is ever less than Barrier Level 1 minus the Basket Strike Level on any Valuation Date and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Basket Return ;
- (B) if the Basket Return is never less than Barrier Level 1 minus the Basket Strike Level on any Valuation Date and is less than Barrier Level 2 minus the Basket Strike Level on the final Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount; or
- (C) if the Basket Return on the final Valuation Date is greater than or equal to Barrier Level 2 minus the Basket Strike Level, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price on the relevant Valuation Date and expressed as a percentage.

(xxxix) *Best of/Worst of Reverse Convertible Structure Long – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Reverse Convertible Structure Long – Type 1" the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset (Principal) ; or
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

"N" is an integer specified in the applicable Final Terms.

(xl) *KI Best of/Worst of Reverse Convertible Structure Long – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "KI Best of/Worst of Reverse Convertible Structure Long – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is ever during the term of the Notes less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset (Principal) ;
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) has never during the term of the Notes fallen less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

"N" is an integer specified in the applicable Final Terms.

(xli) *Best of/Worst of Reverse Convertible Structure Short – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Reverse Convertible Structure Short – Type 1", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is less than the Barrier Level, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset (Principal) ; or
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to the Barrier Level, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"Reference Asset Return" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price on the relevant Valuation Date.

"N" is an integer specified in the applicable Final Terms.

(xlii) *KI Best of/Worst of Reverse Convertible Structure Short – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "KI Best of/Worst of Reverse Convertible Structure Short – Type 2", the Redemption Amount per Calculation Amount will be calculated as follows:

- (A) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is ever during the term of the Notes less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the Reference Asset Return of the Nth best performing Reference Asset (Principal) ;
- (B) if the Final Price of the Nth best performing Reference Asset (Principal) on any Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) has never during the term of the Notes fallen less than Barrier Level 1 and is less than Barrier Level 2 on the final Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount; or
- (C) if the Final Price of the Nth best performing Reference Asset (Principal) on the final Valuation Date divided by the Initial Price of the Nth best performing Reference Asset (Principal) is greater than or equal to Barrier Level 2, the Redemption Amount per Calculation Amount will be the Calculation Amount.

"Reference Asset Return" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price on the relevant Valuation Date.

"N" is an integer specified in the applicable Final Terms.

(xliii) *Basket Up and In Long*

If the Redemption Basis specified in the applicable Final Terms is "Basket Up and In Long", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Knock-In Factor and the higher of:

- (A) Minimum Basket Return; and

(B) the Basket Return multiplied by the Participation Ratio.

**"Knock-In Factor"** means:

(A) a value equal to 1 if the sum of the Basket Return and 1 is greater than or equal to the Barrier Level on any Valuation Date;

(B) a value equal to zero if the sum of the Basket Return and 1 is less than the Barrier Level on every Valuation Date.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

(A) the Minimum Basket Return, and

(B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xliv) *Basket Up and Out Long*

If the Redemption Basis specified in the applicable Final Terms is "Basket Up and Out Long", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the highest of:

(A) zero;

(B) the result of multiplying the Rebate and the Knock Out Factor; and

(C) the result of multiplying the Participation Ratio, the Knock-Out Differential and the Basket Return.

**"Knock-Out Factor"** means:

(A) a value equal to 1 if the sum of the Basket Return and 1 is greater than the Barrier Level on any Valuation Date;

(B) a value equal to zero if the sum of the Basket Return and 1 is less than or equal to the Barrier Level on every Valuation Date.

**"Rebate"** means the value specified in the applicable Final Terms.

**"Knock-Out Differential"** means 1 minus the Knock-Out Factor; and

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

(A) the Minimum Basket Return, and

- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xlv) *Best of/Worst of Up and In Long*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Up and In Long", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Knock-In Factor and the higher of:

- (A) Minimum Basket Return; and
- (B) either:
  - (1) if "Basket Return" is specified as applicable in the applicable Final Terms, "Basket Return" is specified as applicable in the applicable Final Terms, the Basket Return multiplied by the Participation Ratio, or
  - (2) if "the Nth best performing Reference Asset Return" is specified as applicable in the applicable Final Terms, the Reference Asset Return of the Nth best performing Reference Asset (Principal) multiplied by the Participation Ratio.

"**Knock-In Factor**" means:

- (A) a value equal to 1 if the sum of the Reference Asset Return of the Nth best performing Reference Asset (Principal) and 1 is greater than or equal to the Barrier Level on any Valuation Date;
- (B) a value equal to zero if the sum of the Reference Asset Return of the Nth best performing Reference Asset (Principal) and 1 is less than the Barrier Level on every Valuation Date.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xlvi) *Best of/Worst of Up and Out Long*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Up and Out Long", the Redemption Amount per Calculation Amount will be equal to the sum of the

Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the highest of:

- (A) 0%;
- (B) the result of multiplying the Rebate and the Knock-Out Factor; and
- (C) the result of multiplying the Participation Ratio, the Knock-Out Differential and either:
  - (1) if "Basket Return " is specified as applicable in the applicable Final Terms, the Basket Return; or
  - (2) if "the Nth best performing Reference Asset Return" is specified as applicable in the applicable Final Terms, the Reference Asset Return of the Nth best performing Reference Asset.

**"Knock-Out Factor"** means:

- (A) a value equal to 1 if the sum of the Reference Asset Return of the Nth best performing Reference Asset (Principal) and 1 is greater than or equal to the Barrier Level on any Valuation Date; or
- (B) a value equal to zero if the sum of the Reference Asset Return of the Nth best performing Reference Asset (Principal) and 1 is less than the Barrier Level on every Valuation Date.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

**"Knock-Out Differential"** means 1 minus the Knock-Out Factor.

**"Rebate"** means the value specified in the applicable Final Terms.

(xlvii) *Worst of Down and Out Basket Long*

If the Redemption Basis specified in the applicable Final Terms is "Worst of Down and Out Basket Long", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the highest of:

- (A) zero;
- (B) the result of multiplying the Rebate and the Knock-Out Factor; and
- (C) the result of multiplying the Participation Ratio, the Knock-Out Differential and the Basket Return.

**"Knock-Out Factor"** means:

- (A) a value equal to 1 if the sum of the Minimum Performance and 1 is less than or equal to the Barrier Level on any Valuation Date;
- (B) a value equal to zero if the sum of the Minimum Performance and 1 is greater than the Barrier Level on every Valuation Date.

**"Knock-Out Differential"** means 1 minus the Knock-Out Factor.

**"Minimum Performance"** means the lowest Reference Asset (Principal) Performance of all Reference Assets (Principal) in the Basket.

**"Reference Asset (Principal) Performance"** means the result of dividing:

- (A) the Closing Price of the relevant Reference Asset (Principal) on the applicable Valuation Date, as specified in the applicable Final Terms, by
- (B) the average of the Closing Prices of the relevant Reference Asset (Principal) on each Initial Valuation Date.

**"Rebate"** means the value specified in the applicable Final Terms.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xlviii) *Down and Out Basket Long*

If the Redemption Basis specified in the applicable Final Terms is "Down and Out Basket Long", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the highest of:

- (A) zero;
- (B) the result of multiplying the Rebate and the Knock Out Factor; and
- (C) the result of multiplying the Participation Ratio, the Knock-Out Differential and Basket Return.

**"Knock-Out Factor"** means:

- (A) a value equal to 1 if the sum of the Basket Return and 1 is less than or equal to the Barrier Level on any Valuation Date;

- (B) a value equal to zero if the sum of the Basket Return and 1 is greater than the Barrier Level on every Valuation Date.

"**Rebate**" means the value specified in the applicable Final Terms.

"**Knock-Out Differential**" means 1 minus the Knock-Out Factor.

"**Basket Return**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

"**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

"**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(xlix) *Best of/Worst of Call Option*

If the Redemption Basis specified in the applicable Final Terms is "Best of/Worst of Call Option", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the higher of:

- (A) the Reference Asset Return of the Nth best performing Reference Asset (Principal) multiplied by the Participation Ratio; and
- (B) the Minimum Basket Return.

"**Reference Asset Return**" will be the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level on the relevant Valuation Date.

"N" is an integer specified in the applicable Final Terms.

(xlix) *Outperformance Option*

If the Redemption Basis specified in the applicable Final Terms is "Outperformance Option", the Redemption Amount per Calculation Amount will be equal to the sum of the Calculation Amount and an additional amount calculated by multiplying the Calculation Amount by the product of the Participation Ratio and the higher of:

- (A) Bonus Coupon; and
- (B) the lower of:
- (1) the Maximum Payout; and
  - (2) the Performance Differential.

"**Maximum Payout**" is the value specified in the applicable Final Terms.

"**Performance Differential**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting the Short Performance from the Long Performance.

**"Long Performance"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Long Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Long Performance shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Long Basket, where:
  - (1) **"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation; and
  - (2) **"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) ) in the Long Basket by its Initial Price and subtracting the Strike Level.

**"Short Performance"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Short Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Short Performance shall be the higher of (a) the Minimum Basket Return, and (b) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Short Basket, where:

- (A) **"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation; and
- (B) **"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) for each Reference Asset (Principal) ) in the Short Basket by its Initial Price.

The Reference Assets (Principal) used for the purposes of calculating the Long Performance and the Short Performance will be grouped into two separate Baskets ("**Long Basket**" and "**Short Basket**" respectively, and each a "**Basket**"), as specified in the applicable Final Terms.

(l) *Series of Digitals*

If the Redemption Basis specified in the applicable Final Terms is "Series of Digitals", the Redemption Amount per Calculation Amount will be equal to the Calculation Amount multiplied by the fraction of which the numerator is the number of Reference Assets (Principal) with a Closing Price which is greater than or equal to the relevant Barrier Level on each Business Day up to and including the relevant Valuation Date and the denominator is the number of Reference Assets (Principal) in the Basket.

(li) *Delta 1*

If the Redemption Basis specified in the applicable Final Terms is "Delta 1", subject to the occurrence of a Deferred Redemption as specified below, the Redemption Amount per Calculation Amount will payable on the Scheduled Maturity Date and will be an amount equal to the Redemption Proceeds in relation to the relevant Reference Asset(s), less the Fee Amount and less any applicable Taxes.

**"Fee Amount"** means a structuring fee payable to the Issuer in an amount calculated as a percentage per annum of the aggregate Calculation Amount specified in the applicable Final Terms multiplied by the relevant Day Count Fraction.

**"Hedging Party"** means any of the Issuer, any other entity within the Group (as selected by the Issuer from time to time in its sole discretion), or a hypothetical investor located in Portugal, that will be deemed to hold the Reference Assets (Principal).

"**Taxes**" means all taxes, fees or other deductions relating to a Hedging Party's purchase, ownership, redemption or transfer of the Reference Assets (Principal), any dividends pertaining to the Reference Assets (Principal), or any currency conversion in respect of the exchange of the Note proceeds for the currency of the relevant Reference Asset(s).

*Deferred Redemption of Delta 1 Notes*

If it is not possible for the Hedging Party to redeem Reference Assets (Principal) before the Scheduled Maturity Date or Early Redemption Date because the Reference Assets (Principal) are subject to a restriction on redemptions or for any other reason, or if the Hedging Party determines that it will not receive the full amount of any Redemption Proceeds on or before the Scheduled Maturity Date or the Early Redemption Date (as applicable) (each such event a "**Deferred Redemption**"), then the Issuer shall promptly notify the Noteholders of such event (a "**Deferred Redemption Notice**").

Following a Deferred Redemption Notice the Issuer shall make a partial redemption of the Notes on (i) the Scheduled Maturity Date or the Early Redemption Date, as applicable, provided and to the extent that the Hedging Party has received (or is deemed to have received) any part of the Redemption Proceeds no later than on the tenth Business Day prior to such date, and thereafter (ii) within five Business Days after each date on which the Hedging Party receives (or is deemed to have received) all or part of the Redemption Proceeds (each such date, a "**Deferred Redemption Date**").

The amount of each such partial redemption of the Notes shall be calculated in accordance with the formula for calculating the Redemption Amount per Calculation Amount set out above, and for such purpose the "Redemption Proceeds" shall be deemed to be the most recent partial amount of the Redemption Proceeds received (or deemed to have been received) by the Hedging Party prior to the relevant Deferred Redemption Date and the "Fee Amount" shall be deemed to be the aggregate Fee Amount as of the relevant Deferred Redemption Date less any part of the Fee Amount that has previously been deducted from (i) the Redemption Proceeds or (ii) the aggregate Redemption Amount in connection with any prior partial redemption of the Notes.

The sum of all partial redemption payments shall never exceed the aggregate Redemption Proceeds which the Hedging Party has received (or is deemed to have received) on or prior to the Back Stop Date *less* (i) the aggregate Fee Amount and *less* (ii) the aggregate amount of all Taxes.

If the Issuer has determined that a Deferred Redemption has occurred and is continuing and that it can be reasonably expected that any amount of the Redemption Proceeds will not be received by the Hedging Party on or prior to the Back Stop Date, then the Issuer (i) may extend the Back Stop Date in order for it to be in alignment with expected future receipts of Redemption Proceeds as calculated by the Issuer, or (ii) by notice to the Noteholders and to the relevant Clearing System(s) cancel the Notes with immediate effect, whereupon the Issuer shall not be obliged to make, and no Noteholder shall be entitled to receive, any redemption payment or other amount in respect of the Notes.

Any Redemption Proceeds received by the Issuer or the Hedging Party after the Back Stop Date shall not be payable to Noteholders and the Noteholders shall have no claim to receive any such remaining part of the Redemption Amount after the Back Stop Date.

(iii) *Bearish One Touch Structure 2 – Type 1*

If the Redemption Basis specified in the applicable Final Terms is "Bearish One Touch Structure 2 – Type 1", the Redemption Amount will be determined as follows:

- (A) if the Basket Return on any Valuation Date falls below the Barrier Level, the Redemption Amount per Calculation Amount will be the Calculation Amount plus an additional amount equal to the Calculation Amount multiplied by the Participation Ratio and multiplied by the higher of the Coupon and the Basket Return; and

- (B) if the Basket Return is never less than the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) by its Initial Price and subtracting the Strike Level.

(liii) *Bearish One Touch Structure 2 – Type 2*

If the Redemption Basis specified in the applicable Final Terms is "Bearish One Touch Structure 2- Type 2", the Redemption Amount will be determined as follows:

- (A) if the Basket Return on any Valuation Date falls below the Barrier Level, the Redemption Amount per Calculation Amount will be the Calculation Amount plus an additional amount equal to the Calculation Amount multiplied by the Participation Ratio and multiplied by the higher of the Coupon and the Basket Return; and
- (B) if the Basket Return is never less than the Barrier Level on any Valuation Date, the Redemption Amount per Calculation Amount will be the Calculation Amount.

**"Basket Return"** means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Basket Return shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Basket.

**"Weighted Asset Return"** means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation.

**"Reference Asset Return"** is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) by its Initial Price.

(liv) *Non-Tranched CLN*

If the Redemption Basis specified in the applicable Final Terms is "Non-Tranched CLN Structure", the Redemption Amount per Calculation Amount will be equal to:

- (A) the Calculation Amount multiplied by the sum of:
  - (1) 1 minus the Portfolio Exposure; and
  - (2) the product of the Portfolio Exposure, the Target Redemption Amount and the Portfolio Return; less

- (B) if “Deduction of Unwind Amount on Early Redemption” is specified as applicable in the applicable Final Terms, the Unwind Amount.

**"Portfolio Return"** means the result obtained by subtracting the Portfolio Loss from 1.

**"Portfolio Loss"** means the sum of the Weighted Asset Loss for each Reference Entity (Principal) in the Basket.

**"Weighted Asset Loss"** means the product of the Basket Participation which, where there is only one Reference Entity (Principal), shall be one and the Reference Entity Loss for the relevant Reference Entity (Principal).

**"Reference Entity Loss"** for a Reference Entity (Principal) means the result obtained by subtracting the Recovery Value in respect of that Reference Entity (Principal) from 1.

The **"Recovery Value"** will be 100 per cent. if a Credit Event (as defined in Annex 2 (*Additional Conditions for Credit-Linked Notes*) to these Conditions) has not occurred in relation to that Reference Entity (Principal) during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(iv) *Tranched CLN*

If the Redemption Basis specified in the applicable Final Terms is "Tranched CLN Structure", the Redemption Amount per Calculation Amount will be equal to

- (A) the Calculation Amount multiplied by the sum of:
- (1) 1 minus the Portfolio Exposure; and
  - (2) the product of the Portfolio Exposure, the Target Redemption Amount and the Portfolio Return; less
- (B) if “Deduction of Unwind Amount on Early Redemption” is specified as applicable in the applicable Final Terms, the Unwind Amount.

**"Portfolio Return"** means the result obtained by subtracting the Adjusted Tranche Loss from 1.

**"Adjusted Tranche Loss"** means the result obtained by dividing the lower of (a) the Tranche Attachment Range and (b) the Tranche Loss, by the Tranche Attachment Range.

**"Tranche Loss"** means the greater of:

- (A) zero; and
- (B) the result obtained by subtracting the Tranche Attachment Point from the sum of the Weighted Asset Loss for each Reference Entity (Principal) in the Basket.

**"Weighted Asset Loss"** means the product of the Basket Participation which, where there is only one Reference Entity (Principal), shall be one and the Reference Entity Loss for the relevant Reference Entity (Principal).

**"Reference Entity Loss"** for a Reference Entity (Principal) means the result obtained by subtracting the Recovery Value in respect of that Reference Entity (Principal) from 1.

The **"Recovery Value"** will be 100 per cent. if a Credit Event (as defined in Annex 2 (*Additional Conditions for Credit-Linked Notes*) to these Conditions) has not occurred in relation to that Reference Entity (Principal) during the period commencing on the Observation

Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(lvi) *Nth to Default CLN*

If the Redemption Basis specified in the applicable Final Terms is "Nth to Default CLN Structure", the Redemption Amount per Calculation Amount will be equal to:

- (A) the Calculation Amount multiplied by the sum of:
  - (1) 1 minus the Portfolio Exposure; and
  - (2) the product of the Portfolio Exposure, the Target Redemption Amount and the Portfolio Return; less
- (B) if "Deduction of Unwind Amount on Early Redemption" is specified as applicable in the applicable Final Terms, the Unwind Amount.

"**Portfolio Return**" means the result obtained by subtracting the Portfolio Loss from 1.

"**Portfolio Loss**" means:

- (A) if the number of Credit Events that have occurred in relation to any Reference Entity (Principal) in the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is greater than or equal to N, an amount equal to the Reference Entity Loss for the Nth Reference Entity (Principal) in the Basket in respect of which a Credit Event occurs; or
- (B) if the number of Credit Events that have occurred in relation to any Reference Entity (Principal) in the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is less than N, zero.

"N" shall be the figure specified in the applicable Final Terms.

"**Reference Entity Loss**" means the result obtained by subtracting the Recovery Value from 1.

The "**Recovery Value**" will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(lvii) *Nth and Nth+1 to Default CLN*

If the Redemption Basis specified in the applicable Final Terms is "Nth and Nth+1 to Default CLN Structure", the Redemption Amount per Calculation Amount will be equal to:

- (A) the Calculation Amount multiplied by the sum of:
  - (1) 1 minus the Portfolio Exposure; and
  - (2) the product of the Portfolio Exposure, the Target Redemption Amount and the Portfolio Return; less
- (B) if "Deduction of Unwind Amount on Early Redemption" is specified as applicable in the applicable Final Terms, the Unwind Amount.

"**Portfolio Return**" means the result obtained by subtracting the Portfolio Loss from 1.

"**Portfolio Loss**" means:

- (A) if the number of Credit Events that have occurred in relation to any Reference Entity (Principal) in the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is greater than N, an amount equal to the sum of the Weighted Asset Loss for the Nth Reference Entity (Principal) to default and the Nth plus 1 (i.e. the immediately succeeding) Reference Entity (Principal) to default in the Basket; or
- (B) if the number of Credit Events that have occurred in relation to any Reference Entity (Principal) in the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date is equal to N, an amount equal to the Weighted Asset Loss of the Nth Reference Entity (Principal) in respect of which a Credit Event occurs; or
- (C) if the number of Credit Events that have occurred in relation to any Reference Entity (Principal) in the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is less than N, zero.

"N" is an integer specified in the applicable Final Terms.

"**Weighted Asset Loss**" means the product of the Basket Participation and the Reference Entity Loss for the relevant Reference Entity (Principal).

"**Reference Entity Loss**" for a Reference Entity (Principal) means the result obtained by subtracting the Recovery Value in respect of that Reference Entity (Principal) from 1.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Annex 2 (*Additional Conditions for Credit-Linked Notes*) to these Conditions) has not occurred in relation to that Reference Entity (Principal) during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(lviii) *Physically Settled CLN*

If the Redemption Basis specified in the applicable Final Terms is "Physically Settled CLN", the Redemption Amount per Calculation Amount will be equal to the Calculation Amount provided that, following the occurrence of a Credit Event in respect of the Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, as determined by the Issuer, each Note will be redeemed by physical delivery of the Asset Amount on the applicable Physical Settlement Date in accordance with, and subject to the satisfaction of all conditions to delivery prescribed in, Annex 6.

The Asset Amount in respect of any Note to which this Condition 7(1)(lviii) applies will be Debt Obligations of the Issuer having a principal amount (converted, if necessary, into the Specified Currency at the prevailing currency exchange rate as determined by the Issuer) equal to the principal amount of such Note less, if "Deduction of Unwind Amount on Early Redemption" is specified as applicable in the applicable Final Terms, the Unwind Amount.

Details of the Asset Amount and the Physical Settlement Date will be included in the Notice of Physical Settlement delivered in accordance with Annex 2.

Notwithstanding the foregoing, and anything to the contrary in Annex 6, the Asset Amount shall only be deliverable if (i) the Debt Obligations comprised in the Asset Amount are denominated in the Specified Currency, and (ii) the denomination of such Debt Obligations is equal to the Calculation Amount, or an integral divisor thereof. Otherwise, the Issuer's obligation to deliver the Asset Amount in respect of a Note will be satisfied by payment of the market value of such Asset Amount (converted, if necessary, into the Specified Currency at the prevailing currency exchange rate as determined by the Issuer), as determined by the Issuer. Payment of such amount will be made in such manner and on such date as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*).

**"Physical Settlement Date"** means a day selected by the Issuer in its sole and absolute discretion that falls not later than the day that falls the longest number of Business Days following the occurrence of the relevant Credit Event for settlement in accordance with the then current market practice for the Debt Obligations comprised in the Asset Amount, as determined by the Issuer in its sole discretion.

**(m) Redemption Basis modifiers**

**(i) Maximum Redemption Amount**

If "Maximum Redemption Amount" is specified in the applicable Final Terms as applicable to one or more of the applicable Redemption Bases, the Redemption Amount (or, where "Combination of Structures" is applicable, the relevant part thereof) will be the lesser of: (A) the Redemption Amount determined pursuant to the applicable Redemption Bases in accordance with Condition 7(1) (*Redemption Bases for Redemption at Maturity*) and (B) the Maximum Redemption Amount.

**(ii) Minimum Redemption Amount**

If "Minimum Redemption Amount" is specified in the applicable Final Terms as applicable to one or more of the applicable Redemption Bases, the Redemption Amount (or, where "Combination of Structures" is applicable, the relevant part thereof) will be the greater of: (A) Redemption Amount determined pursuant to the applicable Redemption Bases in accordance with Condition 7(1) (*Redemption Bases for Redemption at Maturity*) and (B) the Minimum Redemption Amount.

**(iii) Inflation-Protected Principal**

If "Inflation-Protected Principal" is specified in the applicable Final Terms as applicable to one or more of the applicable Redemption Bases, the Redemption Amount (or, where "Combination of Structures" is applicable, the relevant part thereof) determined pursuant to the applicable Redemption Bases in accordance with Condition 7(1) (*Redemption Bases for Redemption at Maturity*) will be multiplied by the ratio obtained by dividing the Final CPI by the Base CPI.

**(iv) FX Components**

If "FX Components (Redemption)" is specified in the applicable Final Terms and if the Reference Asset Return is used in the formulation of the applicable Redemption Amount under the applicable Redemption Basis in accordance with Condition 7(1) (*Redemption Bases for Redemption at Maturity*), then the Reference Asset Return shall be determined by either:

**(A) Bullish FX Return – Type 1**

If "Bullish FX Return – Type 1" is specified in the applicable Final Terms "Reference Asset Return" means the result obtained by dividing:

- (1) the Final FX Rate minus the Strike Level; by
- (2) the Initial FX Rate.

**(B) Bullish FX Return – Type 2**

If "Bullish FX Return – Type 2" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (1) the Final FX Rate minus the Strike Level; by
- (2) the Final FX Rate.

(C) Bearish FX Return – Type 1

If "Bearish FX Return – Type 1" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (1) the Strike Level minus the Final FX Rate; by
- (2) the Initial FX Rate.

(D) Bearish FX Return – Type 2

If "Bearish FX Return – Type 2" is specified in the applicable Final Terms, "Reference Asset Return" means the result obtained by dividing:

- (1) the Strike Level minus the Final FX Rate; by
- (2) the Final FX Rate.

(v) *Best of/Worst of Modifier*

If "*Best of/Worst of Modifier*" is specified in the applicable Final Terms as applicable to one or more of the applicable Redemption Bases, then, in applying such Redemption Basis or Bases in determining the Redemption Amount, references to the Basket Return shall be replaced by references to the "Reference Asset Return of the Nth best performing Reference Asset" for the purposes of calculating the Redemption Amount in accordance with all of the foregoing Redemption Bases set out in Condition 5 (*Interest*) and Condition 7(1) (*Redemption Bases for Redemption at Maturity*).

(vi) *Outperformance Modifier*

If "*Outperformance Modifier*" is specified in the applicable Final Terms as applicable to one or more of the applicable Redemption Bases, then, in applying such Redemption Basis or Bases in determining the Redemption Amount, references to the Basket Return shall be replaced by references to the "Performance Differential" for the purposes of calculating the Redemption Amount in accordance with all of such Redemption Bases set out in Condition 5 (*Interest*) and/or Condition 7(1) (*Redemption Bases for Redemption at Maturity*).

The "**Performance Differential**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting the Short Performance from the Long Performance.

"**Long Performance**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Long Basket; provided that, if "Basket Floor" is specified as applicable in the applicable Final Terms, the Long Performance shall be the higher of:

- (A) the Minimum Basket Return, and
- (B) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Long Basket, where:
  - (1) "**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation; and
  - (2) "**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by dividing the Final Price for such Reference Asset (Principal) in the Long Basket by its Initial Price and subtracting the Strike Level.

"**Short Performance**" means the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Short Basket; provided that, if "Basket Floor" is specified as applicable in

the applicable Final Terms, the Short Performance shall be the higher of (a) the Minimum Basket Return, and (b) the sum of the Weighted Asset Return for each Reference Asset (Principal) in the Short Basket, where:

- (A) "**Weighted Asset Return**" means, in respect of a Reference Asset (Principal), its Reference Asset Return multiplied by the applicable Basket Participation; and
- (B) "**Reference Asset Return**" is calculated, in respect of a Reference Asset (Principal) on any Valuation Date, by subtracting from the Strike Level the result obtained by dividing the Final Price for such Reference Asset (Principal) for each Reference Asset (Principal) in the Short Basket by its Initial Price.

The Reference Assets (Principal) used for the purposes of calculating the Long Performance and the Short Performance will be grouped into two separate Baskets (the "**Long Basket**" and the "**Short Basket**" respectively, and each a "**Basket**"), as specified in the applicable Final Terms.

**(n) *Combination of Structures (Redemption)***

If "Combination of Structures (Redemption)" is specified as applicable in the applicable Final Terms, the Redemption Amount per Calculation Amount may be a combination of two or more of the Redemption Bases specified in Condition 7(1) (*Redemption Bases for Redemption at Maturity*). The Redemption Amount per Calculation Amount determined in accordance with each applicable subparagraph of Condition 7(1) (*Redemption Bases for Redemption at Maturity*) shall be multiplied by the applicable Redemption Performance Percentage and then aggregated for the purposes of calculating the total Redemption Amount per Calculation Amount.

"**Redemption Performance Percentage**" means the percentage of the overall Redemption Amount that is attributable to the relevant Redemption Basis, as specified in the applicable Final Terms.

**(o) *Early Redemption of Notes with Autocallable Redemption Basis***

If "Early Redemption of Notes with Autocallable Redemption Basis" is specified as applicable in the applicable Final Terms:

- (i) if "Bullish Autocall Condition –Type 1" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) is greater than or equal to one or more specified Autocall Barrier Level(s) at the Valuation Time on any Autocall Valuation Date;
- (ii) if "Bullish Autocall Condition –Type 2" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) has always closed greater than or equal to one or more specified Autocall Barrier Level(s) during the Valuation Period ending on (and including) such Autocall Valuation Date;
- (iii) if "Bullish Autocall Condition –Type 3" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) has always traded greater than or equal to one or more specified Autocall Barrier Level(s) during the Valuation Period ending on (and including) such Autocall Valuation Date;
- (iv) if "Range Autocall Condition –Type 1" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) is within the specified Autocall Range(s) at the Valuation Time on any Autocall Valuation Date;
- (v) if "Range Autocall Condition –Type 2" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or

Nth best performing Reference Asset Value (as specified in the applicable Final Terms) has always closed within the specified Autocall Range(s) during the Valuation Period ending on (and including) such Autocall Valuation Date;

- (vi) if "Range Autocall Condition –Type 3" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) has always traded within the specified Autocall Range(s) during the Valuation Period ending on (and including) such Autocall Valuation Date;
- (vii) if "Bearish Autocall Condition –Type 1" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) is at or below one or more specified Autocall Barrier Level(s) at the Valuation Time on any Autocall Valuation Date;
- (viii) if "Bearish Autocall Condition –Type 2" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) has always closed at or below one or more specified Autocall Barrier Level(s) during the Valuation Period ending on (and including) such Autocall Valuation Date; or
- (ix) if "Bearish Autocall Condition –Type 3" is specified as applicable in the applicable Final Terms, the Autocall Condition will be satisfied if the Basket Value, Reference Asset Value or Nth best performing Reference Asset Value (as specified in the applicable Final Terms) has always traded at or below one or more specified Autocall Barrier Level(s) during the Valuation Period ending on (and including) such Autocall Valuation Date.

Each of the Bullish Autocall Condition, the Range Autocall Condition and the Bearish Autocall Condition is an "**Autocall Condition**".

If the Autocall Condition is satisfied at any time, then the Issuer will give notice to Noteholders in accordance with Condition 15 (*Notices*) and redeem the Notes early, in whole but not in part, on the next following Interest Payment Date at their Early Redemption Amount which will be an amount per Calculation Amount equal to the Calculation Amount together with interest (if any) payable in accordance with Condition 5 (*Interest*).

**(p) *Early Redemption of Notes with Target Redemption Structure***

If "Target Redemption Condition" is specified as applicable in the applicable Final Terms, if the Target Redemption Condition is satisfied at any time, then the Issuer will give notice to Noteholders in accordance with Condition 15 (*Notices*) and redeem the Notes early, in whole but not in part, on the next following Interest Payment Date at their Early Redemption Amount which will be an amount per Calculation Amount equal to the Calculation Amount together with any interest (if any) payable in accordance with Condition 5 (*Interest*).

The "**Target Redemption Condition**" shall be satisfied if the sum of the total Interest Amounts paid per Calculation Amount up to and including the next following Interest Payment Date reaches an amount equal to the Target Payment Amount. The Target Payment Amount shall be an amount per Calculation Amount specified in the applicable Final Terms.

Where the "Final Interest Payment Type" is specified in the applicable Final Terms to be "Type One", the Interest Amount per Calculation Amount payable on the final Interest Payment Date shall be the Interest Amount calculated in accordance with Condition 5 (*Interest*), regardless of whether payment of such amount will result in the sum of the total Interest Amounts paid per Calculation Amount exceeding the Target Payment Amount.

Where the "Final Interest Payment Type" is specified in the applicable Final Terms to be "Type Two", the Interest Amount per Calculation Amount payable on the final Interest Payment Date shall be the lesser of (i) the Interest Amount calculated in accordance with Condition 5 (*Interest*) and (ii) an amount

equal to the Target Payment Amount minus the sum of all previous Interest Amounts paid per Calculation Amount.

**(q) Early Redemption of Credit-Linked Notes**

If "Accelerated CLN Payment" is specified as applicable in the applicable Final Terms, then in the event that the Recovery Value in relation to one or more Reference Entities (each a "**Defaulted Reference Entity**") is determined prior to the scheduled Maturity Date for the Notes, the Issuer may elect to make an early repayment of all or part of the Notes on any date by giving notice thereof to Noteholders in accordance with Condition 15 (*Notices*). The applicable Early Redemption Amount shall be calculated by the Issuer in good faith and in a commercially reasonable manner, and shall be calculated on a pro-rata basis such that the Noteholder receives a share of the aggregate Redemption Amount that would (notwithstanding the early redemption of the Notes in accordance with this Condition 7(q) (*Early Redemption of Credit-Linked Notes*)) otherwise be due and payable on the Maturity Date in accordance with the applicable provisions of Condition 7 (*Redemption and Purchase*) which is proportionate to the weighting of the relevant Defaulted Reference Entity or Defaulted Reference Entities in relation to the Basket as a whole.

**(r) Regulatory Event Redemption of Tier 2 Notes**

Subject to Condition 7(s) (*Restriction on Early Redemption of Tier 2 Capital Notes*), if there is a change in the regulatory classification of the Tier 2 Notes that occurs on or after the issue date of the first Tranche of the Tier 2 Notes and that does, or would be likely to, result in any of the outstanding aggregate principal amount of the Tier 2 Notes ceasing to be included in, or counting towards, the Tier 2 capital of Haitong Bank and its subsidiaries (a "**Regulatory Event**"), the Issuer may, at its option, redeem such Notes, in whole but not in part, at the relevant Optional Redemption Amount (Regulatory Event), together with any accrued but unpaid interest to the date fixed for redemption, provided that the Issuer provides not less than 30 days' nor more than 60 days' prior notice to the Trustee, the Principal Paying Agent and the holders of such Notes (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of such notice period, the Issuer shall be bound to redeem the Tier 2 Notes accordingly.

**(s) Restriction on Early Redemption of Tier 2 Notes**

Notwithstanding any other provision in this Condition 7 (*Redemption and Purchase*), the Issuer may redeem the Tier 2 Notes (and give notice thereof to the holders thereof) only if it has obtained the Regulator's prior consent (if such consent is required by the Applicable Banking Regulations for the redemption of the relevant Tier 2 Notes).

*The rules under CRD IV provide that the competent authority (the Regulator in this case), shall grant permission to a redemption or repurchase of the Tier 2 Notes provided that either of the following conditions is met, as applicable to the relevant Tier 2 Notes:*

*(i) on or before the redemption or repurchase of the Tier 2 Notes, the Issuer replaces the Tier 2 Notes with instruments qualifying as own funds instruments of an equal or higher quality at terms that are sustainable for its income capacity; or*

*(ii) the Relevant Issuer has demonstrated to the satisfaction of the Regulator that its own funds would, following such redemption or repurchase, exceed the capital ratios required under CRD IV by a margin that the Regulator may consider necessary on the basis set out in CRD IV for it to determine the appropriate level of capital of an institution.*

*In addition, the rules under CRD IV provide that the Regulator may only permit the Relevant Issuer to redeem the Tier 2 Notes before five years after the date of issuance of the relevant Tier 2 Notes if:*

*(A) the conditions listed in paragraphs (i) or (ii) above are met; and*

*(B) in the case of redemption due to the occurrence of a Regulatory Event, (i) the Regulator considers such change to be sufficiently certain and (ii) the Issuer has demonstrated to the satisfaction of the Regulator that the Regulatory Event was not reasonably foreseeable at the time of issuance of the Tier 2 Notes; or*

*(C) in the case of redemption due to the occurrence of a Tax Event, there is a change in the applicable tax treatment of the relevant Tier 2 Notes which the Issuer demonstrates to the satisfaction of the Regulator is material and was not reasonably foreseeable at the time of issuance of such Notes.*

*The rules under CRD IV may be modified from time to time after the date of this Offering Circular.*

## **8. Taxation**

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of a Relevant Tax Jurisdiction (as defined below) unless such withholding or deduction is required by law. In the event that the Issuer or any person acting on its behalf is required by law to make any such withholding or deduction, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (i) where the withholding or deduction in question is required by virtue of the Noteholder, Receiptholder or Couponholder having some connection with the Relevant Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon; or
- (ii) in the case of Bearer Notes and Registered Notes (other than Interbolsa Notes) presented, where presentation is required (or in respect of which the Registered Certificate representing it is presented, where presentation is required) for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on the expiry of such period of 30 days assuming that day to have been a Payment Day (as defined in Condition 6(h) (*Payment Date*)); or
- (iii) in the case of Bearer Notes and Registered Notes (other than Interbolsa Notes) where the Noteholder, Receiptholder or Couponholder of which is or was able to avoid such withholding or deduction by presenting any form or certificate or by making a declaration of non-residence or other claim for exemption; or
- (iv) in the case of Interbolsa Notes, presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder in respect of whom the information and documentation required in order to comply with Portuguese Decree-Law 193/2005 of 7 November 2005, as amended, and any implementing legislation, is not received before the Income Payment Date (as defined below); or
- (v) in the case of Interbolsa Notes, presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder (i) resident for tax purposes in the Relevant Tax Jurisdiction or (ii) resident in a tax haven jurisdiction as defined in Order (“**Portaria**”) 150/2004, of 13 February 2004, as amended from time to time, with the exception of (a) central banks and governmental agencies as well as international institutions recognised by the Relevant Tax Jurisdiction, of those tax haven jurisdictions, and (b) tax haven jurisdictions which have a double taxation treaty in force or a tax information exchange agreement in force with Portugal; and/ or;
- (vi) in the case of Interbolsa Notes, presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder which is (i) a Portuguese resident legal entity subject to Portuguese corporate income tax (with the exception of entities that benefit from a waiver of

Portuguese withholding tax or from Portuguese income tax exemptions), or (ii) a legal entity not resident in the Portuguese territory acting with respect to the holding of the Notes through a permanent establishment in Portuguese territory, except when benefiting from a Portuguese withholding tax waiver; or

- (vii) which is presented for payment by or on behalf of a Noteholder where the income on the Notes is paid to accounts opened in the name of one or several accountholders acting on behalf of undisclosed third entities; or
- (viii) which is presented for payment by or on behalf of a Noteholder for or on account of any withholding or deduction arising under or in connection with the Foreign Account Tax Compliance Act; or
- (ix) where the Relevant Tax Jurisdiction is Ireland, where such Note (or such Note to which a Receipt or Coupon relates):
  - (A) is an unlisted Note; or
  - (B) is not an Exempted Wholesale Debt Instrument (as defined in the Irish Taxation section of this Offering Circular); or
  - (C) the beneficial owner of that Note is not either of:
    - (I) a company resident in a Member State of the European Union (except for Ireland) or in a country with which Ireland has a double tax treaty in effect, which imposes a tax that generally applies to interest receivable in that country by companies from outside that country, unless that interest income is connected with an Irish agency, branch or trade of such a company; or
    - (II) a company where the interest is exempted from the charge to Irish income tax under the terms of a double tax treaty having the force of law or would so be exempted if the terms of a double tax treaty made with another country had the force of law, unless that interest income is connected with an Irish agency, branch or trade of such a company; or
- (x) where the relevant tax, duty, assessment or other governmental charge is payable otherwise than by withholding or deduction from payments of (or in respect of) principal of or any premium or interest on any of the Notes, or is any estate, inheritance, gift, sale, transfer, personal property or similar tax, duty, assessment or other governmental charge.

As used herein:

- (i) "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or (other than in the case of Interbolsa Notes) the Trustee on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15 (*Notices*);
- (ii) "**Relevant Tax Jurisdiction**" means:
  - (A) Ireland in the case of HIIP Notes;
  - (B) Portugal in the case of Haitong Bank Notes issued through Haitong Bank's head office; and
  - (C) Portugal and the United Kingdom in the case of Haitong Bank Notes issued through its London branch,

or, in any such case, any political subdivision or any authority thereof or therein having power to tax; and

- (iii) "**Noteholder**" or "**holder**" means, in the case of Interbolsa Notes, the holder of the Interbolsa Notes who is the effective beneficiary of the income arising thereto.

## 9. Prescription

The Global Notes, Definitive Notes, Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(c) (*Bearer Notes: Presentation of Definitive Notes, Receipts and Coupons*) or any Talon which would be void pursuant to Condition 6(c) (*Bearer Notes: Presentation of Definitive Notes, Receipts and Coupons*).

Claims for principal and interest in respect of the Interbolsa Notes shall become void unless the relevant Certificates are surrendered within 20 years and five years respectively of the Relevant Date.

## 10. Events of Default relating to, and enforcement of, Senior Notes

This Condition 10 shall apply only to Senior Notes and in this Condition 10 references to "**Notes**" shall be construed accordingly.

Either:

- (a) in respect of Notes other than Interbolsa Notes, the Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified or secured (whether by payment in advance or otherwise) to its satisfaction), (but, in the case of the happening of any of the events mentioned in paragraphs (ii), (iii) and (vii) to (x) below (inclusive), only if the Trustee shall have certified that, in its opinion, such event is materially prejudicial to the interests of the Noteholders), give notice to the Issuer that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount as defined in Condition 7(e) (*Early Redemption Amounts*), together with accrued interest as provided in the Trust Deed; or
- (b) in respect of any Interbolsa Notes, the Common Representative shall, if so requested in writing through a request addressed to it and to Haitong Bank by the holders of not less than 20 per cent. of the nominal amount of the Notes then outstanding, or if so directed by an Extraordinary Resolution of the Noteholders, give notice to the Issuer (the "**Acceleration Notice**") and to the Portuguese Paying Agent at the respective specified office, effective upon the date of receipt thereof by the Portuguese Paying Agent, that the Interbolsa Notes are, and they shall accordingly thereby forthwith become, immediately due and payable at the Early Redemption Amount (as described in Condition 7 (*Redemption and Purchase*)) together with accrued interest (if any) to the date of repayment, without demand, protest or other notice of any kind,

if, in either case, any of the following events ("**Events of Default**") shall have occurred and be continuing:

- (i) there is default for more than 14 days in the payment of any principal (including, for the avoidance of doubt, as applicable, delivery of assets) or for more than 30 days in the payment of any interest in respect of the Notes or any of them when and as the same ought to be paid; or
- (ii) there is default by the Issuer or (where the Issuer is HIIP) Haitong Bank in the performance or observance of any covenant, condition or provision contained in the Notes and the Conditions, the Keep Well Agreement and/or (in respect of Notes other than Interbolsa Notes) in the Trust Deed or the Notes, the Receipts or the Coupons and on its part to be performed or observed (other than the covenant to pay the principal or interest in respect of any of the Notes) and

(except where (A) for Notes other than Interbolsa Notes, the Trustee or (B) for Interbolsa Notes, the Common Representative determines that such default is not capable of remedy when no such notice or continuation as is hereinafter mentioned shall be required) such default continues for the period of 30 days (or such longer period as the Trustee in respect of Notes other than Interbolsa Notes or the Common Representative, in respect of Interbolsa Notes, may permit) following the service by the Trustee (in respect of Notes other than Interbolsa Notes) or the Common Representative (in respect of Interbolsa Notes) on the Issuer or, as the case may be, (where the Issuer is HIIP) Haitong Bank of notice requiring the same to be remedied; or

- (iii) save in the case of a Permitted Reorganisation (as defined below), the Issuer or (where the Issuer is HIIP) Haitong Bank becomes insolvent or stops paying, or is unable to, or shall admit inability to, pay, its debts as they mature or applies for or consents to or suffers the appointment of a liquidator or an administrative or other receiver or an examiner (under the Companies Act, 2014 of Ireland) or an administrator or a temporary manager (by the Bank of Portugal) or an encumbrancer or any other similar official shall take possession of it or the whole or any substantial part of its undertaking, property, assets or revenues or takes any proceeding under any law for a readjustment or deferment of its obligations or any part thereof or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors; or
- (iv) an order is made by a competent court or an effective resolution is passed for the winding up or dissolution of the Issuer or (where the Issuer is HIIP) Haitong Bank (except in any case for the purposes of a reconstruction, merger or amalgamation effected with the prior written consent (A) of the Trustee or the sanction of an Extraordinary Resolution of the Noteholders in the case of Bearer Notes or Registered Notes (B) by an Extraordinary Resolution of the Noteholders in the case of Interbolsa Notes or (C) as a result of a Permitted Reorganisation); or
- (v) the Issuer or (where the Issuer is HIIP) Haitong Bank ceases to carry on the whole or substantially the whole of its business (except in any case for the purpose of a reconstruction, merger or amalgamation effected with the prior written consent of (A) the Trustee or the sanction of an Extraordinary Resolution of the Noteholders in the case of Bearer Notes or Registered Notes (other than Interbolsa Notes) (B) by an Extraordinary Resolution of the Noteholders in the case of Interbolsa Notes or (C) as a result of a Permitted Reorganisation); or
- (vi) (where the issuer is HIIP) the Issuer ceases to be a Subsidiary wholly owned and controlled, directly or indirectly, by Haitong Bank; or
- (vii) (where the Issuer is HIIP) except with the prior consent in writing of the Trustee or the sanction of an Extraordinary Resolution of the Noteholders, the Keep Well Agreement is terminated or any provision of the Keep Well Agreement is modified or waived in circumstances where such modification or waiver would, in the opinion of the Trustee, have a material adverse effect on the interests of the Noteholders or is not enforced in a timely manner by the Issuer or is breached by Haitong Bank; or
- (viii) save in the case of a Permitted Reorganisation or with the prior written consent of the Trustee or the sanction of an Extraordinary Resolution of the Noteholders or for a sale, transfer, loan or other disposal on an arm's length basis, Haitong Bank sells, transfers, lends or otherwise disposes of (whether by a single transaction or a series of transactions related or not) the whole or, in the opinion of the Trustee, substantially the whole of its undertaking or assets (including shareholdings in its Subsidiaries or associated companies) and such disposal (either alone or when aggregated with all other disposals which fall to be taken into account under this paragraph (x)) is, in the opinion of the Trustee, substantial in relation to the undertakings or assets of Haitong Bank and its Subsidiaries as a whole.

In these Conditions:

**"Permitted Reorganisation"** means an amalgamation, merger, consolidation, reorganisation or other similar arrangement entered into by the Issuer or (where the Issuer is HIIP) Haitong Bank with the consent of the Trustee or the sanction of an Extraordinary Resolution of the Noteholders (such Extraordinary Resolution shall be mandatory in case there are Interbolsa Notes outstanding) under which:

- (a) the whole of the business, undertaking and assets of the Issuer or, as the case may be, (where the Issuer is HIIP) Haitong Bank are transferred to and all the liabilities and obligations of the Issuer or, as the case may be, (where, the Issuer is HIIP) Haitong Bank are assumed by the new or surviving entity resulting from such amalgamation, merger, consolidation, reorganisation or other similar arrangement either:
  - (i) automatically by operation of the laws of Ireland (where the Issuer is HIIP) or, as the case may be, the laws of Portugal (in the case of Haitong Bank); or
  - (ii) upon terms and subject to the satisfaction of such conditions as the Trustee or an Extraordinary Resolution of the Noteholders (if there are Interbolsa Notes outstanding) shall have previously approved in writing in order to satisfy the Trustee or the Noteholders, as the case may be, that the new or surviving entity will be bound by the terms of the Trust Deed and the Notes as fully as if it had been named in the Trust Deed and the Notes in place of the Issuer or, as the case may be, (where the Issuer is HIIP) Haitong Bank; and, in either case,
- (b) the new or surviving entity will immediately after such amalgamation, merger, consolidation, reorganisation or other similar arrangement be subject to the same regulation and supervision by the Regulatory Authority as the Issuer or, as the case may be, (where the Issuer is HIIP) Haitong Bank was subject immediately prior thereto;

**"Parent Shareholders' Funds"** means, at any relevant time, a sum equal to the aggregate of Haitong Bank's shareholders' equity as certified by the Auditors (as defined in the Trust Deed) of Haitong Bank by reference to the latest audited consolidated financial statements of Haitong Bank;

**"Regulatory Authority"** means the Bank of Portugal in the case of Haitong Bank and the Central Bank of Ireland in the case of HIIP, or their respective successors; and

**"Business Day"** means for the purposes of Conditions 10 and 1 a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in both Ireland and Portugal.

In respect of Notes other than Interbolsa Notes, the Trustee may, at its discretion and without further notice, take such proceedings against the Issuer and/or (where the Issuer is HIIP) Haitong Bank as it may think fit to enforce the obligations of the Issuer under the Trust Deed, the Notes, the Receipts and the Coupons and/or the obligations of the Issuer and/or (where the Issuer is HIIP) Haitong Bank under the Trust Deed and/or to enforce the security over the Keep Well Agreement, but it shall not be bound to take any such proceedings or any other action unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by holders of at least 25 per cent. in nominal amount of the relevant Notes outstanding and (ii) it shall have been indemnified or secured (whether by payment in advance or otherwise) to its satisfaction.

In respect of any Interbolsa Notes, the Common Representative may take such proceedings against the Issuer and/or (where the Issuer is HIIP) Haitong Bank as it may think fit to enforce the obligations of the Issuer and/or (where the Issuer is HIIP) to enforce the security over the Keep Well Agreement, but it shall only take any such proceedings or any other action if so requested in writing through a request addressed to it by the holders of not less than 20 per cent. of the nominal amount of the relevant Notes then outstanding, or if so directed by an Extraordinary Resolution of the Noteholders, and it shall have been indemnified or secured (whether by payment in advance or otherwise) to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer and/or (where the Issuer is HIIP) Haitong Bank to enforce the obligations of the Issuer under the Trust Deed, the Notes, the Receipts and the Coupons and/or (where the Issuer is HIIP) Haitong Bank under the Trust Deed and/or (where the Issuer is HIIP) Haitong Bank to enforce the security over the Keep Well Agreement unless (i) the Trustee or the Common Representative, as applicable, having become bound so to do, fails to do so within a reasonable period and such failure is continuing, or (ii) in respect to Interbolsa Notes only, no Common Representative has been appointed.

#### **11. Events of Default relating to, and enforcement of, Tier 2 Notes**

This Condition shall apply only to Tier 2 Notes and to Notes other than Interbolsa Notes and in this Condition 11 references to "Notes" shall be construed accordingly.

- (a) If default is made in the payment of any principal or interest due in respect of any of the Notes and such default continues for a period of 14 days (in the case of principal) or 30 days (in the case of interest) after the due date for the same or, as the case may be, after any other date upon which the payment of interest is compulsory, the Trustee may, subject as provided below, at its discretion and without further notice, institute proceedings for the winding up of the Issuer.
- (b) If otherwise than for the purposes of a Permitted Reorganisation or for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up of the Issuer or Haitong Bank, the Trustee may, subject as provided below, declare such Tier 2 Notes to be due and repayable immediately (and such Tier 2 Notes shall thereby become so due and repayable) at their Early Redemption Amount, together with any accrued but unpaid interest as provided in the Trust Deed, and payments are subject to the subordination provisions set out in Condition 3(b) (*Status and Subordination of the Tier 2 Notes*).
- (c) Without prejudice to paragraphs (a) and (b) above, the Trustee may, subject as provided below, at its discretion and without further notice, institute such proceedings against the Issuer or, as the case may be, Haitong Bank as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes, the Receipts, the Coupons or the Trust Deed (other than any obligation for the payment of any principal or interest in respect of the Notes) and/or the obligations of Haitong Bank under the Trust Deed and/or to enforce its security over the Keep Well Agreement in accordance with the provisions of the Trust Deed, provided that the Issuer or, as the case may be, Haitong Bank shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums in cash or otherwise (including any damages) other than in the winding up of the Issuer or Haitong Bank.
- (d) The Trustee shall be bound to take action as referred to in paragraph (a), (b) and/or (c) above only if (1) it shall have been so requested in writing by Noteholders holding not less than 25 per cent. in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders and (2) it shall have been indemnified or secured (whether by payment in advance or otherwise) to its satisfaction.
- (e) No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or, as the case may be, Haitong Bank or to enforce the security over the Keep Well Agreement unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing. No Noteholder, Receiptholder or Couponholder shall be entitled either to institute proceedings for the winding up of the Issuer or, as the case may be, Haitong Bank or to submit a claim in such winding up or to enforce the security over the Keep Well Agreement, except that if the Trustee, having become bound to institute such proceedings or to enforce the security over the Keep Well Agreement as aforesaid, fails to do so or, being able and bound to submit a claim in such winding up, fails to do so, in each case within a reasonable period and such failure is continuing, then any such holder may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), himself institute proceedings for the winding up of the Issuer or, as the case may be, Haitong Bank and/or submit a claim in such winding up and/or enforce the security

over the Keep Well Agreement to the same extent (but not further or otherwise) that the Trustee would have been entitled to do.

## **12. Replacement of Global Notes, Definitive Notes, Receipts, Coupons and Talons**

Should any Global Note, Global Certificate, Definitive Note, Registered Certificate, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent (in the case of Bearer Notes, Receipts, Coupons and Talons) and of the Registrar (in the case of Registered Notes) or any other place approved by the Trustee of which notice shall have been published in accordance with Condition 15 (*Notices*) upon payment by the claimant of such costs, expenses, taxes and duties as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Global Notes, Global Certificates, Definitive Notes, Registered Certificates, Receipts, Coupons or Talons must be surrendered before replacements being issued.

## **13. Agent, Paying Agents, Transfer Agents and Registrar**

The names of the initial Agent and the other initial Paying Agents, Transfer Agents and Registrar and their initial specified offices are set out below.

The Issuer is entitled with the prior written approval of the Trustee, save that such approval will not be required in respect of the Portuguese Paying Agent, to vary or terminate the appointment of any Paying Agent, Transfer Agent or Registrar and/or appoint additional or other Paying Agents or Transfer Agents and/or approve any change in the specified office through which any Paying Agent, Transfer Agent or Registrar acts, provided that:

- (i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (which may be the Agent) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or such other relevant authority;
- (ii) there will at all times be an Agent;
- (iii) there will at all times be a Registrar in relation to Registered Notes;
- (iv) there will at all times be a Transfer Agent in relation to Registered Notes; and
- (v) there will at all times be a Paying Agent in Portugal capable of making payment in respect of the Interbolsa Notes as contemplated by these terms and conditions, the Agency Agreement, as amended by the Interbolsa Notes Agency Agreement and applicable Portuguese law and regulation.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(f) (*Payments in respect of Registered Notes*). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15 (*Notices*).

## **14. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9 (*Prescription*).

## 15. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing and, so long as the Notes are listed on the Irish Stock Exchange, shall be published via the companies announcements office of the Irish Stock Exchange. All notices regarding the Bearer Notes shall be published (i) in a leading English language daily newspaper of general circulation in London, (ii) in respect of any Notes listed on the Irish Stock Exchange via the companies announcements office of the Irish Stock Exchange. It is expected that any publication under (i) above will be made in the *Financial Times* in London. If the Notes are Interbolsa Notes, all notices shall be published (i) by registered mail, (ii) by publication in a leading newspaper having general circulation in Portugal (which is expected to be *Diário de Notícias*) or (iii) by any other way which complies with the Portuguese Securities Code and Interbolsa's rules on notices to investors, including the disclosure of information through the CMVM (the Portuguese Securities Market Commission) official website ([www.cmvm.pt](http://www.cmvm.pt)). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they are admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in each such newspaper or where published in such newspapers on different dates, the last date of such first publication.

Until such time as any Definitive Notes are issued, there may (provided that, in the case of Notes listed on a stock exchange or admitted to trading by another relevant authority, such stock exchange or other relevant authority permits), so long as the Global Note(s) is (are) held in its(their) entirety on behalf of Euroclear and Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same with the Portuguese Paying Agent in the case of Interbolsa Notes and by lodging the same, together with the relative Note or Notes, with the Agent in the case of Bearer Notes or, together with the relative Registered Certificate or Registered Certificates, with the Registrar in the case of the Registered Notes. Whilst any of the Notes (other than Interbolsa Notes) is represented by a Global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

Any holder of an Interbolsa Note may give notice to the Portuguese Paying Agent and the Agent through Interbolsa in such manner as the Portuguese Paying Agent, the Agent and Interbolsa may approve for this purpose.

## 16. Meetings of Noteholders, Modification and Waiver

### (a) *Meetings in respect of Notes other than Interbolsa Notes*

This Condition 16(a) (*Meetings in respect of Notes other than Interbolsa Notes*) does not apply to Interbolsa Notes. The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including modification by an Extraordinary Resolution of the Noteholders of any of these Terms and Conditions or any of the provisions of the Notes, the Receipts, the Coupons or the Trust Deed, provided that (i) the modification of certain of these Conditions and certain of the provisions of the Notes, the Receipts, the Coupons or the Trust Deed (concerning *inter alia* the date of maturity of the Notes or any date for payment of interest thereon, the amount of principal or the rate of interest payable in respect of the Notes, the currency of payment of the Notes, Receipts or Coupons or the status and, if applicable, subordination of the Notes or certain provisions of the Trust Deed) may only be made at a meeting at which the necessary quorum will be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding; and

(ii) that the provisions relating to the Tier 2 Notes shall only be capable of modification if the Issuer complies with all other rules and requirements of the Regulator as and to the extent applicable from time to time. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether present or not, and on all Receiptholders and Couponholders.

The Trust Deed provides that the Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification, or to any waiver or authorisation of any breach or proposed breach, of any of these Conditions or any provision of the Trust Deed or the Notes, Receipts or Coupons or determine that any Event of Default or Potential Event of Default (as defined in the Trust Deed) which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders shall not be treated as such. The Trustee may also agree without such consent to any modification of any of these Terms and Conditions or any provision of the Trust Deed or the Notes, Receipts or Coupons which, in the opinion of the Trustee, is made to correct a manifest error or which is of a formal, minor or technical nature. The provisions relating to the Tier 2 Notes shall only be capable of such modification or waiver if the Issuer complies with all rules and requirements of the Regulator applicable from time to time.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, but without limitation, any modification, waiver or authorisation), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders and Couponholders (whatever their number) 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 the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 8 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 8 (*Taxation*) pursuant to the Trust Deed.

Any such modification, waiver or authorisation shall be binding on the Noteholders, Receiptholders and Couponholders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 15 (*Notices*).

Nothing in these Terms and Conditions or the Trust Deed shall require the Trustee to have regard to the interests of Noteholders insofar as those interests arise by virtue of a holding of Interbolsa Notes. For the avoidance of doubt, without prejudice to any rights assumed under Notes which are not Interbolsa Notes, a holder of Interbolsa Notes shall neither, by virtue of such holding of Interbolsa Notes, count towards a quorum, nor be entitled to vote, in respect of a resolution to amend the Trust Deed.

**(b) Meetings in respect of Interbolsa Notes**

The remainder of this Condition 16 (*Meetings of Noteholders, Modification and Waiver*) applies only to Interbolsa Notes.

*Meetings*

Meetings of the holders of Interbolsa Notes may be convened to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the terms and conditions of the Notes and the appointment or dismissal of the Common Representative and are governed by the Portuguese Commercial Companies Code enacted by Decree-Law 262/86 of 2 September, as amended, and by the Common Representative Appointment Agreement. Such meetings may be convened by the Common Representative (if any) or, if no Common Representative has been appointed, or an appointed Common Representative fails to convene a meeting, by the chairman of the general meeting of shareholders of the Issuer, and shall be convened if requested by Noteholders holding not less than 5 per cent. in principal amount of the Notes for the time being outstanding. The quorum required for a meeting convened to pass a resolution other than an Extraordinary Resolution will be any person or persons holding or representing Notes then outstanding, regardless of the principal amount thereof. The quorum required for a meeting convened to pass an Extraordinary

Resolution will be a person or persons holding or representing at least 50 per cent. of the Notes then outstanding or, at any adjourned meeting, any person or persons holding or representing any of the Notes then outstanding, regardless of the principal amount thereof. The number of votes required to pass a resolution other than an Extraordinary Resolution is a majority of the votes cast at the relevant meeting. The majority required to pass an Extraordinary Resolution is at least 50 per cent. of the principal amount of the Notes then outstanding or, at any adjourned meeting, two-thirds of the votes cast at the relevant meeting. Resolutions passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting or have voted against the approved resolutions.

#### *Dismissal and substitution of the Common Representative*

The Noteholders may dismiss and substitute the Common Representative by means of an Extraordinary Resolution passed for such purpose upon the terms and conditions of the Common Representative Appointment Agreement.

#### *Notification*

Any modification, abrogation, waiver or authorisation in accordance with this Condition 16 (*Meetings of Noteholders, Modification and Waiver*) shall be binding on the Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 15 (*Notices*).

#### *Matters required to be approved by Extraordinary Resolution*

An Extraordinary Resolution will be required to effect any of the following:

- (i) to change any date fixed for payment of principal or interest in respect of the Notes, reduction of the amount of principal or interest due on any date in respect of the Notes or variation of the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (ii) to approve the modification or abrogation of any of the provisions of these Conditions;
- (iii) to approve any amendment of this definition;
- (iv) to waive or authorise any breach or proposed breach of any of these Conditions; and
- (v) to approve any other matter in respect of which these Conditions require an Extraordinary Resolution to be passed.

The provisions relating to the Tier 2 Notes shall only be capable of such modification or waiver if the Issuer complies with all rules and requirements of the Regulator applicable from time to time.

#### *Matters in the discretion of the Agent and the Issuer*

Except for those matters required to be approved by Extraordinary Resolution, the Agent, the Common Representative and the Issuer may agree, without the consent of the Noteholders, to: (i) any modification of the Notes which is not materially prejudicial to the interests of the Noteholders; or (ii) any modification of the Notes which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Any such modification shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

## **17. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## 18. Indemnification

The Trust Deed contains provisions governing the responsibility of the Trustee and providing for its indemnification in certain circumstances including provisions relieving it, unless indemnified or secured (whether by payment in advance or otherwise) to its satisfaction, from taking proceedings to enforce repayment. The Trustee shall be entitled to enter into business transactions with the Issuer and/or (where the Issuer is HIIP) Haitong Bank and/or any Subsidiary of either of them without accounting for any profit resulting therefrom.

## 19. Disapplication of Contracts (Rights of Third Parties) Act 1999

This Condition applies if the Notes are governed by English law. No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## 20. Governing Law and Submission to Jurisdiction

The Trust Deed, the Notes other than Interbolsa Notes, the Receipts and the Coupons (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 except that Condition 3(b) (*Status and Subordination of the Tier 2 Notes*) and the equivalent provisions of the Trust Deed are governed by, and shall be construed in accordance with, the laws of Ireland where the Issuer is HIIP and the laws of the Portuguese Republic where the Issuer is Haitong Bank. Interbolsa Notes, the Interbolsa Notes Agency Agreement, the Agency Agreement, in respect of the Interbolsa Notes, and only to the extent not amended by the Interbolsa Notes Agency Agreement, and the Common Representative Appointment Agreement (and any non-contractual obligations arising out of or in connection with them) are governed by and shall be construed in accordance with Portuguese law.

Each of the Issuer and (where the Issuer is HIIP) Haitong Bank has in the Trust Deed irrevocably agreed for the benefit of the Trustee, the Noteholders, the Receiptholders and the Couponholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes, other than Interbolsa Notes, the Receipts and/or the Coupons and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as "**Proceedings**") may be brought in such courts.

Each of the Issuer and (where the Issuer is HIIP) Haitong Bank has in the Trust Deed irrevocably and unconditionally waived and agreed not to raise any objection which it may have now or hereafter to the laying of the venue of any Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and has further irrevocably and unconditionally agreed that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction. Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer or (where the Issuer is HIIP) Haitong Bank 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.

Haitong Bank agrees for the exclusive benefit of the Noteholders that the courts of Portugal are to have jurisdiction to settle any disputes which may arise out of or in connection with the Common Representative Appointment Agreement and/or the Interbolsa Notes and that accordingly any suit action or proceedings (together referred to as "**Proceedings in Respect of Interbolsa Notes**") arising out of or in connection with the Common Representative Appointment Agreement and/or the Interbolsa Notes may be brought in such courts.

Each of the Issuer and (where the Issuer is HIIP) Haitong Bank has in the Trust Deed appointed Haitong Bank, S.A., London Branch to accept service of process in England in connection with any Proceedings, and has undertaken that, in the event of Haitong Bank, S.A., London Branch ceasing so to act, it will appoint such other person as the Trustee may approve as its agent for that purpose.

**21. Common Representative**

In the case of Interbolsa Notes, the holders of the Notes shall at all times be entitled to appoint and dismiss a Common Representative by means of an Extraordinary Resolution and pursuant to the Common Representative Appointment Agreement. Upon the appointment of a new Common Representative by the holders of the Notes pursuant to this Condition, any previously appointed and dismissed Common Representative will immediately cease its engagement and will be under the obligation immediately to transfer to the new Common Representative appointed by the holders of the Notes all documents and information then held by such Common Representative pertaining to the Notes.

**ANNEX 1: ADDITIONAL CONDITIONS FOR CERTAIN NOTES (INCLUDING FX-LINKED NOTES,  
COMMODITY-LINKED NOTES AND FUND-LINKED NOTES): DISRUPTION, ADJUSTMENT,  
CORRECTIONS AND EXTRAORDINARY EVENTS**

**1. Market Disruption**

The following provisions will apply if "Market Disruption - General" is specified as being applicable in the Applicable Transaction Terms.

- (a) Market Disruption with respect to a Reference Asset exists where, in the Issuer's opinion, any of the following events occurs:
  - (i) the quotation of an official final price for a Reference Asset or significant portion of the Reference Assets included in the Reference Asset does not exist, is unavailable or ceases;
  - (ii) where applicable, if a compilation and/or publication of the value of the Reference Asset's value ceases;
  - (iii) the Relevant Exchange and/or Options or Futures Exchange does not open for trading during its normal trading hours or closes for trading earlier than its normal closing time;
  - (iv) trading in a Reference Asset or a significant portion of the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange or Options or Futures Exchange ceases, is suspended or is significantly restricted;
  - (v) the ability of market participants to carry out trades in, or obtain the market value for, a Reference Asset or a significant portion of the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange or Options or Futures Exchange ceases, is discontinued or significantly deteriorates due to any other event; or
  - (vi) in respect of Fund-linked Notes only, the valuation of a Reference Asset, which comprises funds or fund units, on a Valuation Date for the Reference Asset does not take place or full payment of the redemption amount with respect to such Reference Asset does not take place on a redemption day for the Fund.
- (b) A limitation on the number of hours or days when trading occurs shall not be deemed to constitute a Market Disruption where the restriction is due to a published change in the normal trading hours for the Relevant Exchange and/or Options or Futures Exchange.
- (c) A restriction in trading which is introduced during the course of a day due to changes in prices which exceeds permitted levels pursuant to the Relevant Exchange and/or Options or Futures Exchange shall be deemed to constitute a Market Disruption.
- (d) Where, in the Issuer's opinion, a Market Disruption has occurred on an Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date, the Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date shall, with respect to determination of the Closing Price, Initial Price and/or Final Price be the Following Exchange Business Day (for each Affected Reference Asset, respectively) on which Market Disruption does not exist; however, where Market Disruption exists on the eight Exchange Business Days (for each Affected Reference Asset, respectively) that follows immediately after the Rebalancing Date, Initial Valuation Date or Valuation Date or another relevant day as stated in the Applicable Transaction Terms, such eighth Exchange Business Day (for each Affected Reference Asset, respectively) shall be deemed the Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date (or such other relevant day is stated in the Applicable Transaction Terms) irrespective of the existence of Market Disruption, and the Issuer shall thereupon determine the value of the Closing Price, Initial Price and/or Final Price to be

applied upon calculation of the Redemption Amount, Interest Amount or in conjunction with another calculation in accordance with the Conditions.

The Issuer shall be entitled to make any addition, adjustment, or amendment to the Conditions as the Issuer deems necessary, acting in good faith and a commercially reasonable manner, in connection with Market Disruption or Disruption.

## 2. Market Disruption Commodity

The following provisions will apply if "Market Disruption Commodity" is specified as being applicable in the Applicable Transaction Terms:

- (a) Market Disruption with respect to a Reference Asset exists where, in the Issuer's opinion, any of the following events occurs:
  - (i) the quotation, compilation, calculation or publication of official final prices for a Reference Asset or the underlying assets included in the Reference Asset is unavailable or ceases;
  - (ii) the quotation, compilation, calculation or publication of the value of a Reference Asset or the value of the underlying assets included in the Reference Asset, is unavailable or ceases;
  - (iii) the Relevant Exchange is not open for trading during its normal trading hours;
  - (iv) trading in a Reference Asset or the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange ceases, is suspended or significantly restricted;
  - (v) the possibilities for parties on the market to carry out trades in or obtain the market value for a Reference Asset or a significant portion of the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange ceases, is discontinued or significantly deteriorates due to any other event;
  - (vi) the manner of calculating a Reference Asset or the underlying assets included in the Reference Asset or the value thereof changes significantly;
  - (vii) the content, compilation or structure of a Reference Asset or the underlying assets included in a Reference Asset or relevant options or futures contract changes significantly; or
  - (viii) the introduction, change or repeal of tax provisions with respect to a Reference Asset or tax provisions regarding tax calculated by way of reference to the underlying assets included in a Reference Asset (however, not tax on, or which is calculated by reference to, gross or net income) after the Initial Observation Date or the Initial Valuation Date, as a consequence of which the final price on the relevant Initial Observation Date or Initial Valuation Date changes as compared to what it would have been had the tax provisions not been introduced, changed or repealed.
- (b) Where, in the opinion of the Issuer, a Market Disruption has occurred on an Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date such Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date for determination of the Closing Price, Initial Price and/or Final Price shall be the immediately following Exchange Business Day (for each Affected Reference Asset) where Market Disruption does not exist (for each Affected Reference Asset) or the Initial Price, Final Price or Closing Price may be determined or replaced by the Issuer in another appropriate manner; however, where Market Disruption occurs during the five Exchange Business Days (for each Affected Reference Asset) immediately following the Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date (or another relevant day as stated in the Applicable Transaction Terms) and

the Initial Price, Final Price or Closing Price may be determined or replaced by the Issuer in another appropriate manner, such fifth Exchange Business Day (for each Affected Reference Asset) shall be deemed to be the Observation Date, Rebalancing Date, Initial Valuation Date or Valuation Date (or another relevant day as stated in the Applicable Transaction Terms) irrespective of whether Market Disruption exists, and the Issuer shall thereupon determine or replace the prevailing value of the Initial Price, Final Price or Closing Price upon calculation of the Reference Asset Return or another relevant value.

- (c) Where the Issuer believes that it is not possible or would not provide a fair result to determine or replace the value of the Affected Reference Asset at the time of such Market Disruption, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Where the Issuer has determined the Redemption Amount and/or the yield or Interest Amount the Issuer shall notify the Noteholders of the amount of the Redemption Amount and the yield and the interest rate which will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if any) shall be paid on the Maturity Date.
- (d) The Issuer shall be entitled to make any addition, adjustment, or amendment to the Conditions and/or to the Applicable Transaction Terms as the Issuer deems necessary, acting in good faith and a commercially reasonable manner, in connection with Market Disruption.

### 3. **Disruption Currency**

The following provisions will apply if "Disruption Currency" is specified as applicable in the Applicable Transaction Terms:

- (a) **"Disruption Currency"** with respect to an FX Rate (including an FX Rate which is a Reference Asset) exists where, in the Issuer's opinion, any of the following events occurs:
  - (i) spot or futures prices are not available for the FX Rate or the underlying assets included in the FX Rate;
  - (ii) calculation or publication of any final price/exchange rate/currency price on a specified reference source for an FX Rate or the underlying assets included in the FX Rate does not exist, is unavailable or ceases to be published on the specified reference source;
  - (iii) a material price deviation occurs between the price of various currencies, exchange rates and/or currency prices;
  - (iv) a quotation of spot and/or futures prices cannot be obtained on a stated minimum amount in one or a reasonable number of currency transactions which together amount to a predetermined minimum sum; or
  - (v) the introduction of any currency exchange regulations or currency exchange restrictions which affect the ability to exchange a currency which constitutes an FX Rate into another currency and/or to transfer the relevant currency from the relevant jurisdiction.
- (b) Where, in the opinion of the Issuer, Disruption Currency has occurred on an Observation Date, Observation Date, Rebalancing Date, Initial Valuation Date, Valuation Date, Initial FX Valuation Date or FX Valuation Date, the Issuer shall determine the value of the FX Rate, FX Factor, Closing Price, Initial Price, Final Price or Closing Price based on all available information which the Issuer believes to be relevant in conjunction with calculation of the Redemption Amount, Interest Amount or any other relevant value.
- (c) The Issuer shall be entitled to make any addition, adjustment, or amendment to the Conditions and/or to the Applicable Transaction Terms as the Issuer deems necessary, acting in good faith and a commercially reasonable manner, in connection with Disruption Currency.

#### **4. Calculation Adjustment**

The following provisions will apply if "Calculation Adjustment" is specified as applicable in the Applicable Transaction Terms.

- (a) Where, in the opinion of the Issuer, the compilation, calculation or publication of any Reference Asset ceases in whole or in part, or the characteristics of the Reference Assets are changed significantly, the Issuer shall be entitled, upon calculation of the Redemption Amount, to replace such Affected Reference Asset with a comparable alternative. Where, in the Issuer's opinion, a comparable alternative to such Affected Reference Asset is not compiled, calculated and published or where, in the opinion of the Issuer, the method of calculating any Affected Reference Asset or the value thereof is changed significantly, the Issuer shall be entitled to make such adjustments in the calculation as the Issuer, based on reasonable grounds, deems necessary, in order for the calculation of the value of the Affected Reference Asset to reflect and be based on the manner in which such was previously compiled, calculated and published. The value thereby calculated shall replace the value of the Affected Reference Asset in calculations of the relevant Redemption Amount or Interest Amount.
- (b) Where the Issuer believes that it would not provide a fair result to replace the Affected Reference Asset or adjust the applicable calculation, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Such calculation shall be based on the most recently published value of the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield, the Issuer shall notify the Noteholders of the amount of the Redemption Amount and/or the yield and the Interest Rate which will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if any) shall be paid on the Maturity Date.
- (c) The Issuer is entitled to make any addition, adjustment or amendment to the Conditions and/or to the Applicable Transaction Terms as the Issuer deems necessary in connection with Calculation Adjustment.

#### **5. Corrections**

The following provisions will apply if "Corrections" is specified as applicable in the Applicable Transaction Terms:

Where the official closing price for a Reference Asset is corrected within the number of days from the original publication as normally elapse between a trade and settlement day in conjunction with spot trading in the Reference Asset or in the underlying assets included in the Reference Asset, however not later than three Exchange Business Days after the Valuation Date, or Observation Date and such price is used to determine a Closing Price and/or Initial Price and/or Final Price, the Issuer shall be entitled to make a corresponding correction.

#### **6. Correction Commodity**

The following provisions will apply if "Correction Commodity" is stated as applicable in the Applicable Transaction Terms:

Where the official closing price for a Reference Asset is corrected within 30 days of the original publication and such a price is used to determine a Closing Price and/or Initial Price and/or Final Price, the Issuer shall be entitled to make a corresponding correction to the Closing Price and/or Initial Price and/or Final Price.

#### **7. Correction Currency**

The following provisions will apply if "Correction Currency" is specified as applicable in the Applicable Transaction Terms:

Where the official closing price for a Reference Asset is corrected and such price is used to determine a Closing Price and/or Initial Price and/or Final Price, the Issuer shall be entitled to make a corresponding correction not later than six Currency Business Days after the official closing price for the Reference Asset was published.

## 8. Extraordinary Events

The following provisions will apply if "Extraordinary Events – General" is specified as applicable in the Applicable Transaction Terms:

- (a) Where, in the Issuer's opinion, delisting, nationalisation, bankruptcy proceedings, liquidation, company reorganisation, compulsory redemption, merger, demerger, asset transfer, share swap, swap offer, public tender offer or other similar event occurs with respect to equities which constitute a Reference Asset or a company whose shares are included in an equities basket which constitutes a Reference Asset; or where, in the Issuer's opinion, a subdivision, new issue, bonus issue, issuance of warrants or convertible debentures, reverse split, or buy-back occurs with respect to such an equity or basket of equities as constitute a Reference Asset, or any other event occurs as specified in the Applicable Transaction Terms or which, in accordance with practice on the market for equity-related derivative products, may lead to an adjustment in the calculation during outstanding transactions (each an "Extraordinary Event"), the Issuer shall be entitled to make such adjustments in the calculation of the Redemption Amount, Interest Amount and/or compilation of Reference Assets, or to replace the Affected Reference Asset with a Replacement Reference Asset which the Issuer thereby deems necessary in order to achieve a calculation of the Redemption Amount which reflects, and is based on, the manner in which such was previously calculated.
- (b) Where the Issuer believes that it would not provide a fair result to replace the Affected Reference Asset or adjust the applicable calculation or the structure of the Reference Asset, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Such early calculation shall be based on the most recently published value for the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield or Interest Amount, the Issuer shall notify the Noteholders of the amount of the Redemption Amount and the yield or Interest Amount and the rate at which interest will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if applicable) shall be paid on the Maturity Date.
- (c) The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions and/or to the Applicable Transaction Terms as the Issuer deems necessary, acting in good faith and a commercially reasonable manner, in connection with Extraordinary Events.

## 9. Additional Conditions for Fund-Linked Notes

The following provisions will apply if "Additional Conditions for Fund-Linked Notes" is stated as applicable in the Applicable Transaction Terms.

- "Fund"** As specified in the Applicable Transaction Terms;
- "Fund Manager"** Means in respect of a Fund, any person who is appointed to provide services, directly or indirectly, for that Fund, whether or not specified under law or the constitutive and governing documents, subscription agreements and other agreements, applicable to the Fund, including any fund adviser, fund administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the Applicable Transaction Terms.
- "Fund Event":** The Issuer may, in its own discretion, determine that a Fund Event has occurred, if any of the following events should occur following the initial Observation Date or Initial Valuation Date:

1. the Net Asset Value ("NAV") in respect of the Fund is not calculated and not published on such a day or in such a way as stated in the provisions for the Fund and the terms of the Fund and Fund Manager's operations;
2. the occurrence of any event or circumstance affecting the Fund or the fund units which has (or may potentially have) a negative effect on the value of the Fund or the fund units;
3. the Fund or the Fund Manager refuses subscription or redemption (in whole or partially) of fund units of the Fund on such a day when subscription or redemption should be possible in accordance with the provisions of the Fund and in accordance with the terms of the Funds operation;
4. the proceeds that the Fund pays out as a result of a redemption consists of assets other than cash;
5. the Fund or the Fund Manager restricts the ability to subscribe for or redeem fund units, introduces or amends fees or any additional taxes or other charges arises in connection with subscription or redemption after the Initial Observation Date or Initial Valuation Date;
6. a material change of the Reference Assets of the Fund occurs, which includes expropriation or similar event, such event resulting in the assets being transferred to or taken over by an authority or similar institution or organisation, or by other by instruction from an authority or similar institution or organisation, which has a negative effect on the value of the fund units;
7. the Fund or the Fund Manager becomes insolvent, negotiations are initiated in regard to declaring either the Fund or the Fund Manager bankrupt, either the Fund or the Fund Manager seeks or becomes subject to winding up, seeks the appointment of an administrator, makes a composition or is subject to any similar event;
8. the Fund or the Fund Manager merges with or into or becomes subject to sale (in whole or partially);
9. the Fund breaches any terms applicable to the Fund's operations, including its investment guidelines and its constitutive documents;
10. the Fund or the Fund Manager makes any changes in the terms applicable to the Fund's or the Fund Manager's operations such as changes in the risk profile of the Fund, changes in regard to the right to vote in respect of the fund units, change of the investment guidelines of the Fund, change of the denomination of the fund units or such other change that is adverse in the Issuer's opinion;
11. the Fund breaches any agreements to which it is party or any court order or governmental order;
12. any change in law, regulation or other set of rules (including tax legislation and accounting rules), or resolution is passed by governmental agency, court or other body which has a negative impact on the Fund or the Fund Manager or the Issuer's possibilities to subscribe for or redeem the Reference Asset;
13. the Fund, the Fund Manager, the administrator, the account operator or the board of directors becomes subject to investigation, lawsuit or similar action by an authority or other due to breach of relevant legislation or

other rules applicable to the Fund, the Fund Manager, the administrator, the account operator or the board of directors or the relevant license for any of these is withdrawn;

14. the Fund Manager, the administrator, the account operator or the board of directors are replaced;
15. any conversion of the Reference Asset into other fund units;
16. any compulsory transfer or redemption of fund units occur;
17. the Fund experience difficulties, or is not able, to carry out investments;
18. any change of the derivative instruments of the Fund which has a negative effect on the value of the fund units or the possibility of the fund to admit redemption;
19. the Fund, the Fund Manager or the administrator fails to provide such information within such grace period as The Fund, the Fund Manager or the administrator has undertaken to provide information to any investor;
20. any other event or circumstance occurs which, as determined by the Issuer, has a negative effect on the application of the Conditions of the Notes.

If a Fund Event occurs with respect to one or more Funds which constitutes a Reference Asset, the Issuer shall be entitled to make such adjustments in the calculation of the Redemption Amount, Interest Amount and/or compilation of Reference Assets, or to replace the Affected Reference Asset with a Replacement Reference Asset which the Issuer thereby deems necessary in order to achieve a calculation of the Redemption Amount which reflects, and is based on, the manner in which such was previously calculated.

Where the Issuer believes that it would not provide a fair result to replace the Affected Reference Asset or adjust the applicable calculation or the structure of the Reference Asset, the Issuer may either elect to extend the Back Stop Date to such future date as may be determined by the Issuer, or perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Such early calculation shall be based on the most recently published value for the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield or Interest Amount, the Issuer shall notify the Noteholders of the amount of the Redemption Amount and the yield or Interest Amount and the rate at which interest will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount.

The Redemption Amount (including accrued interest, if applicable) shall be paid on the Maturity Date.

The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions and/or to the Applicable Transaction Terms as the Issuer deems necessary, acting in good faith and a commercially reasonable manner, in connection with Fund Events.

## **10. Additional Disruption Events**

For the purposes of this Annex 1, “**Additional Disruption Event**” means any of Change in Law, Hedging Disruption or Increased Costs of Hedging, which may be applicable to the Notes issued by the Issuers as specified in the relevant Applicable Transaction Terms.

### **Consequences of the occurrence of an Additional Disruption Event:**

- (a) If an Additional Disruption Event occurs, the Issuer acting in good faith and in a commercially reasonable manner may either:
  - (i) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any of the terms of the Notes to account for the Additional Disruption Event and determine the effective date of that adjustment; or
  - (ii) redeem the Notes by giving notice to the Noteholders in accordance with Condition 15 (*Notices*). If the Notes are so redeemed the Issuer will pay each Noteholder the Early Redemption Amount in respect of each Note held by him. Payments will be made in such manner as will be notified to the Noteholders in accordance with Condition 15 (*Notices*).
- (b) Upon the occurrence of an Additional Disruption Event, the Issuer will give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) stating the occurrence of the Additional Disruption Event (including giving details thereof) and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event or the proposed action.

## 11. Definitions:

For the purpose of this Annex 1:

“**Change in Law**” means that, on or after the Issue Date (as specified in the Applicable Transaction Terms):

- (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or
- (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines acting in good faith and in a commercially reasonable manner that (i) it has become illegal for any Hedging Party to hold, acquire or dispose of any relevant hedging arrangements in respect of the Inflation Index, and/or (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer, any of its Affiliates or any other Hedging Party), or (iii) (where the Issuer is HIIP) the performance of Haitong Bank as keep well provider under the Keep Well Agreement has become unlawful.

“**Hedging Disruption**” means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk, including but not limited to currency risk, of the Issuer or (where the Issuer is HIIP) Haitong Bank, issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by the Calculation Agent.

“**Hedging Party**” means, at any relevant time, the Issuer, or any of its Affiliates or any entity (or entities) providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

“**Increased Cost of Hedging**” means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Issuer Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, inflation price risk, foreign exchange risk and interest rate risk) of the Issuer or (where the Issuer is HIIP) Haitong Bank issuing and performing its obligations with respect to the Notes, or (b)

realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

## ANNEX 2: ADDITIONAL CONDITIONS FOR CREDIT-LINKED NOTES

### 1. Definitions

The provisions below shall apply to all Credit-Linked Notes.

**Credit Event** The occurrence of one or more of the following events (as specified in the Applicable Transaction Terms), as determined by the Issuer in its sole discretion:

- (a) in relation to a Reference Entity which is not a Sovereign: (i) Failure to Pay, (ii) Restructuring, (iii) Bankruptcy and/or (iv) Governmental Intervention;
- (b) in relation to a Reference Entity which is a Sovereign: (i) Failure to Pay, (ii) Repudiation/moratorium and/or (iii) Restructuring and, in relation to east European and central Asian Sovereigns, also (iv) Obligation Acceleration;

whereupon a Credit Event shall be deemed to exist notwithstanding that the event is directly or indirectly caused by, or an obligation is contested by reference to, any of the following: (i) lack of authority, lack of legal capacity, lack of capacity to enter into legal relations or similar in respect of a Reference Entity; (ii) actual or alleged invalidity, illegality or unenforceability of Debt Obligations; (iii) applicable law, regulations, public authority decisions, judgments, court decisions, decisions of arbitrators or similar procedures or the implementation of, or amendment to, or interpretation of applicable law or regulations on order of any court of arbitration or public authority; or (iv) the introduction of, or changes to, currency regulations, monetary restrictions or similar provisions by any monetary or other authority (including central banks).

**Repudiation/Moratorium** The occurrence of both of the following events: (i) an authorised officer of a Reference Entity or a Governmental Authority (x) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Debt Obligations in an aggregate amount of not less than the Failure to Pay Amount or (y) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Debt Obligations in an aggregate amount of not less than the Failure to Pay Amount and (ii) a Failure to Pay or a Restructuring, determined without regard to the Failure to Pay Amount, with respect to any such Debt Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

**Governmental Authority** Means:

- (i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);
- (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;
- (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or
- (iv) any other authority which is analogous to any of the entities

specified in (i) to (iii) above.

**Repudiation/Moratorium Evaluation Date** If a Potential Repudiation/Moratorium occurs on or prior to the Maturity Date, (i) if the Debt Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is sixty (60) calendar days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is sixty (60) calendar days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Maturity Date.

**Bond** Any Debt Obligation (as defined below) which is in the form of, or represented by, a bond, note, certificated debt security or other debt security.

**Grace Period** The applicable grace period with respect to payments under and in accordance with the terms of the Debt Obligation in effect as at the later of the relevant Issue Date for the Notes or the date on which such Debt Obligation is issued or incurred provided that, if the terms of the Debt Obligation do not contain a grace period or if such grace period is less than three Business Days, the Grace Period shall be deemed to be three Business Days but in no circumstances shall the Grace Period end later than the Maturity Date.

**Potential Repudiation/Moratorium** The occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.

**Bankruptcy** A Reference Entity:

- (a) is dissolved (other than through a consolidation, amalgamation or merger);
- (b) becomes insolvent, is unable to pay its debts as they fall due, suspends payments or admits or declares in writing in judicial proceedings, administrative proceedings, regulatory proceedings or otherwise admits or declares a general inability to pay its debts as they fall due;
- (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (d) institutes or has instituted against it a proceeding seeking a judgment or decision regarding insolvency, inability to pay or bankruptcy, or any other similar relief pursuant to bankruptcy-, insolvency- or similar laws or regulations which affect creditors' rights, or a petition has been presented for its winding up or liquidation and such proceedings or such a petition:
  - (i) result in a judgment or a decision of insolvency, inability to make payment or bankruptcy, a judgment or a decision which generally affects creditors' rights, or an order for the Reference Entity's winding up or liquidation; or

- (ii) is not withdrawn, dismissed, discharged, stayed or restrained or generally restricted within thirty days after the proceedings have been commenced or the petition filed;
- (e) has a resolution passed for its winding-up or liquidation (other than pursuant to consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official or with respect to the Reference Entity or all or a significant part of the Reference Entity's assets;
- (g) has a secured party take possession of all or substantially all of the Reference Entity's assets, or the Reference Entity becomes the subject of execution, attachment or other similar measure or procedure with respect to all or a significant part of its assets, and such creditor retains possession or such procedure is not, dismissed, discharged or stayed within thirty (30) calendar days ; or
- (h) causes or is subject to an event or circumstance which, according to law applicable to the Reference Entity, has an analogous effect to any of the events specified in clauses (a) – (g).

**Governmental Intervention**

Means that, with respect to one or more Debt Obligations and in relation to an aggregate amount of not less than the amount specified in the Final Terms (the “Governmental Intervention Requirement”), any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Debt Obligation:

- (i) any event which would affect creditors' rights so as to cause:
  - (A) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
  - (B) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
  - (C) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
  - (D) a change in the ranking in priority of payment of any Debt Obligation, causing the subordination of such Debt Obligation to any other Debt Obligation;
- (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Debt Obligation;
- (iii) a mandatory cancellation, conversion or exchange; or

- (iv) any event which has an analogous effect to any of the events specified in (i) to (iii) above.

**Basket** The group of Reference Entities set forth in the Applicable Transaction Terms.

**Public Source** A public source such as Bloomberg, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (or a replacement publication or electronic public source), the main source(s) of business news in the relevant Reference Entity's jurisdiction and any other internationally recognised published or electronically displayed news source.

**Sovereign** A state or its administrative organs or political subdivisions (such as the government, ministries, civil service and suchlike), agencies conducting business operations, authorities acting in a governmental capacity, central bank, municipalities, cities, or other units which may enjoy legal immunity.

**Restructuring** (a) With respect to one or more Debt Obligations, that (A) either voluntarily by the Reference Entity or a court of law, arbitral board, central bank, authority or other body with regulatory power, an agreement is reached with the holder(s) of Debt Obligations with binding effect on all holders of Debt Obligations (including, in each case, in the case of any Debt Obligations that are bonds, by way of exchange) with the purpose set forth in any of items (i) – (v) below; or (B) that the Reference Entity or a court of law, arbitral board, central bank, authority or other body with regulatory power publishes or orders one or more of the measures mentioned in points (i) – (v) below with binding effect on all holders of Debt Obligations (including, in each case, in respect of Bonds only, by way of an exchange). In addition, it is assumed that the Debt Obligation(s) that are subject to the measure(s) in points (i) – (v) below equals or exceeds, in total, the amount specified in the Applicable Transaction Terms at the time the Credit Event occurs (the "**Restructuring Amount**"):

- (i) a reduction in the rate or amount of interest or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in any amount of principal, charges or similar amounts which fall due for payment at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of (A) the due date for payment of interest or date for interest calculation or (B) the due date for payment of principal, charges or similar amounts;
- (iv) a change in the ranking in priority of payment of any Debt Obligation causing the subordination of such Debt Obligation to any other Debt Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the

United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

- (b) Notwithstanding the foregoing, none of the following shall constitute a Restructuring:
- (i) the payment in euros of interest, principal or premium in relation to a Debt Obligation determined in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
  - (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
  - (iii) the occurrence of, agreement to or announcement of any of the measures referred to in points (a)(i)- (v) above as a consequence of an administrative, accounting, or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (iv) the occurrence of, agreement to or announcement of any of the events mentioned in points (a) (i)-(v) above in circumstances where such event is not a direct or indirect consequence of a deterioration in the credit rating or financial condition of the Reference Entity, provided that in respect of (a)(v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.
- (c) For the purposes of this definition of "Restructuring", "Debt Obligation" also includes the Reference Entity acting as provider of a guarantee undertaking or surety, whereupon "Reference Entity" in paragraph (a) shall mean the debtor under the obligation for which the guarantee or surety is issued and in paragraph (b) shall mean the Reference Entity.
- (d) If an exchange has occurred, the determination as to whether one of the events described under (a)(i) to (v) above has

occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

<b>Reference Entity</b>	Each entity specified as such in the Applicable Transaction Terms, and any Successor (as defined below) to such entity as determined by the Issuer in its sole and absolute discretion.
<b>Reference Obligation</b>	In respect of a Reference Entity, the obligation specified as such in the Applicable Transaction Terms.
<b>Debt Obligation</b>	Means each Reference Entity's current, future, conditional or other payment obligations under (a) agreements having the commercial effect of borrowings, e.g. loan agreements, notes or commercial paper (irrespective of term to maturity) or financing limits, payment obligations regarding deposits or letters of credit and (b) guarantees or other sureties or commitments which the Reference Entity has provided or provides with respect to the payment obligations of a third party.
<b>Obligation Acceleration</b>	One or more Debt Obligations in an aggregate amount of at least the amount specified in the Applicable Transaction Terms (the " <b>Obligation Acceleration Amount</b> ") have become due and payable before they would otherwise become due and payable (through acceleration or any other reason) as a result of, or on the basis of, the occurrence of a default or other similar condition or event relating to the Reference Entity (and such breach of contract does not relate to Failure to Pay).
<b>Failure to Pay</b>	A Reference Entity's failure to pay when due, in accordance with the terms and conditions for one or more Debt Obligations, any amount due for payment provided the amount which is due and payable or the total of the amounts that are due and payable equals or exceeds the amount specified in the Applicable Transaction Terms (the " <b>Failure to Pay Amount</b> ").
<b>Successor</b>	Means one or more entities which (directly or indirectly) succeed to twenty five (25) per cent. or more of the Debt Obligations through a Succession Date and less than twenty five (25) per cent. of the Debt Obligations remain with the Reference Entity, in which case such company shall constitute a Successor in lieu of the Reference Entity. Where any company succeeds to seventy five (75) per cent. or more of the Debt Obligations through a Succession Date, such company alone shall constitute a Successor. Where one or more companies individually succeed to less than twenty five (25) per cent. of the Debt Obligations through a Succession Date and the Reference Entity ceases to exist, the company or companies that succeed to the largest portion of the Debt Obligations shall constitute a Successor.

Where the relevant Reference Entity is a financial institution, such Reference Entity's Successor shall be determined solely by reference to the successor(s) to (i) in the case of a Senior Transaction, such Reference Entity's Senior Obligations, or (ii) in the case of a Subordinated Transaction, such Reference Entity's Debt Obligations, excluding (a) any Senior Obligations, and (b) any Debt Obligations which are subordinated to the Reference Obligation (or, if there are no such Debt Obligations, such Reference Entity's Senior Obligations).

The Issuer shall perform any calculations and assessments required to determine whether the thresholds set forth above have been met and shall notify the parties of any such determination. The Issuer shall perform the appropriate adjustments of the Final Terms to reflect a

Successor and the scope of the Debt Obligations as well as any other amendments that the Issuer deems necessary upon the occurrence of a Succession Date.

For the purposes of the foregoing, the term “Debt Obligation” shall be construed as any Debt Obligation that is a bond or a loan.

<b>Succession Date</b>	Means the legally effective date of an event in which one or more entities succeed to some or all of the Debt Obligations of the Reference Entity (in the case of a Sovereign Reference Entity, by way of an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event); provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to the definition of Successor would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.
<b>Steps Plan</b>	Means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Debt Obligations of the Reference Entity, by one or more entities.
<b>Eligible Information</b>	Means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.
<b>Effect of Succession Date</b>	In case the Issuer deems that a Succession Date has occurred (which Succession Date can have occurred up to ninety (90) calendar days prior to the Observation Start Date, in accordance with the definition of “Successor Backstop Date” in the ISDA Definitions (see “ <i>Other Terms</i> ” below), the Successor shall, from the day the Issuer so determines, replace the Reference Entity as a “Reference Entity” in respect of that Note. The Issuer shall have the right to, in case of a Succession Date, adjust the relative basket weights of one or several Reference Entities in the Basket.
<b>Senior Obligation</b>	Any obligation of a Reference Entity which is not subordinated to any unsubordinated borrowed money obligation of the Reference Entity.
<b>Senior Transaction</b>	A Series of Credit-Linked Notes in respect of which the Reference Obligation is a Senior Obligation, or in respect of which there is no Reference Obligation.
<b>Subordinated Obligation</b>	Any obligation of a Reference Entity which is subordinated to any unsubordinated borrowed money obligation of the Reference Entity, or which would be so subordinated if any unsubordinated borrowed money obligation of the Reference Entity existed.
<b>Subordinated Transaction</b>	A Series of Credit-Linked Notes in respect of which the Reference Obligation is a Subordinated Obligation.
<b>Payment Deferral</b>	If it is not possible for the Issuer to determine the Recovery Value in respect of one or more Reference Entities before the Maturity Date or Early Redemption Date because an auction settlement procedure has not yet been concluded, or for any other reason, or if the Issuer or applicable Hedging Party reasonably determines that it will not receive the full amount of any Redemption Proceeds on or before the Maturity Date or the Early Redemption Date (as applicable) (each such event a “ <b>Deferred Redemption</b> ”), then the Issuer shall promptly notify the

Noteholders of such event (a "**Deferred Redemption Notice**").

Following a Deferred Redemption Notice the Issuer shall make a partial redemption of the Notes on (i) the Maturity Date or the Early Redemption Date, as applicable, provided and to the extent that the Hedging Party has received (or is deemed to have received) any part of the Redemption Proceeds no later than on the tenth Business Day prior to such date, and thereafter (ii) within five Business Days after each date on which the Hedging Party receives (or is deemed to have received) all or part of the Redemption Proceeds (each such date, a "**Deferred Redemption Date**").

The amount of each such partial redemption of the Notes shall be calculated in accordance with the formula for calculating the Redemption Amount set out above, and for such purpose the "**Redemption Proceeds**" shall be deemed to be the most recent partial amount of the Redemption Proceeds received (or deemed to have been received) by the Hedging Party prior to the relevant Deferred Redemption Date.

The sum of all partial redemption payments shall never exceed the aggregate Redemption Proceeds which the Hedging Party has received (or is deemed to have received) on or prior to the Back Stop Date.

If the Issuer has determined that a Deferred Redemption has occurred and is continuing and that it can be reasonably expected that any amount of the Redemption Proceeds will not be received by the Hedging Party on or prior to the Back Stop Date, then the Issuer (i) may extend the Back Stop Date in order for it to be in alignment with expected future receipts of Redemption Proceeds as determined by the Issuer, or (ii) by notice to the Noteholders and to the relevant Clearing System(s) cancel the Notes with immediate effect, whereupon the Issuer shall not be obliged to make, and no Noteholder shall be entitled to receive, any redemption payment or other amount in respect of the Notes.

Any Redemption Proceeds received by the Issuer or the Hedging Party after the Back Stop Date shall not be payable to Noteholders and the Noteholders shall have no claim to receive any such remaining part of the Redemption Amount after the Back Stop Date.

**Notice of Physical Settlement**

Means a notice from the Issuer to the Noteholders that (a) contains a detailed description of each Debt Obligation that Buyer comprised in the Asset Amount in respect of a Note, including the amount of such Debt Obligation and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor) of each such Debt Obligation and (c) specifies the Unwind Amount in respect of a Note.

**Other Terms**

In case of dispute regarding the interpretation of the conditions for Credit-Linked Notes, guidance shall be sought in the definitions issued by ISDA in the "2014 ISDA Credit Derivatives Definitions" together with all from time to time published addendums, protocols, updates and similar (the "**ISDA Definitions**"). In the event of a conflict between the conditions of the Credit-Linked Notes and the ISDA Definitions, the conditions of the Credit-Linked Notes shall prevail.

**2. Credit Event Notice**

Where the Notes are Credit-Linked Notes and the Issuer determines that a Credit Event has occurred with respect to any Reference Entity, the Issuer shall deliver a Credit Event Notice to the Paying Agent

and the Paying Agent will deliver a copy of the Credit Event Notice to the Noteholders in accordance with Condition 15 (*Notices*) (provided that any failure by the Issuer to deliver such Credit Event Notice will not invalidate the occurrence of such Credit Event or the consequences thereof pursuant to the terms and conditions of the Notes).

**3. Notice of Physical Settlement**

Where the Notes are Credit-Linked Notes and the Redemption Basis specified in the Applicable Transaction Terms is "Physically Settled CLN", the Issuer shall deliver a Notice of Physical Settlement to the Paying Agent and the Paying Agent will deliver a copy of the Notice of Physical Settlement to the Noteholders in accordance with Condition 15 (*Notices*) (provided that any failure to deliver a copy of such Notice of Physical Settlement to the Noteholders shall not affect the effectiveness of the Notice of Physical Settlement, as determined by the Issuer and/or Calculation Agent, or the rights of the Issuer to redeem the Credit-Linked Notes).

## ANNEX 3: ADDITIONAL CONDITIONS FOR INFLATION-LINKED NOTES

The provisions below shall apply to all Inflation-Linked Notes.

### 1. Determination Dates and Baskets

#### (a) *Determination Dates*

The Final Terms may specify a number of key dates in respect of which an Inflation Index valuation is to be made which may include the Initial Valuation Date, the Observation Date, the Observation End Date and the Rebalancing Date (each a "**Determination Date**"). The Calculation Agent will apply the provision of this Annex separately in each case to make the relevant Inflation Index valuation in relation to each Determination Date accordingly.

#### (b) *Baskets*

The Final Terms may specify that the Notes relate to a single reference asset or a basket of reference assets. This Annex will apply to valuation and determinations in relation to each Inflation Index which forms the single reference asset or a constituent of the basket of reference assets referred to above.

### 2. Inflation index delay and disruption provisions

#### (a) *Delay in publication*

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Determination Date, then the Relevant Level for such Inflation Index with respect to the relevant Reference Month subject to such Delayed Index Level Event (the "**Substitute Index Level**") shall be determined by the Calculation Agent as follows:

- (i) if "Related Bond" is specified as applicable for such Inflation Index in the Applicable Transaction Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the relevant Related Bond; or
- (ii) if (I) "Related Bond" is not specified as applicable for such Inflation Index in the Applicable Transaction Terms, or (II) the Calculation Agent is not able to determine a Substitute Index Level under (i) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

$$\text{Substitute Index Level} = \text{Base Level} \times \left( \frac{\text{Latest Level}}{\text{Reference Level}} \right),$$

in each case as of such Determination Date,

where:

**"Base Level"** means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

**"Latest Level"** means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

**"Reference Level"** means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index

Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuer shall give notice to Noteholders, in accordance with Condition 15 (*Notices*), as applicable, of any Substitute Index Level calculated pursuant to this paragraph 2.

If the Relevant Level (as defined below) is published or announced at any time on or after the relevant Cut-off Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this paragraph 2 will be the definitive level for that Reference Month.

(b) ***Cessation of publication***

If the Calculation Agent determines that the level for the Inflation Index has not been published or announced for two (2) consecutive months, the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index or the Inflation Index Sponsor otherwise cancels the Inflation Index, then the Calculation Agent shall determine a successor inflation index (the "**Successor Inflation Index**") (in lieu of any previously applicable Inflation Index) for the purposes of the Inflation-Linked Notes by using the following methodology:

- (i) if at any time (other than after an early cancellation event has been designated by the Calculation Agent pursuant to paragraph (b)(v) below), a successor inflation index has been designated by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, such successor inflation index shall be designated a "Successor Inflation Index" notwithstanding that any other Successor Inflation Index may previously have been determined under paragraphs 2(b)(ii), 2(b)(iii) or 2(b)(iv) below;
- (ii) if a Successor Inflation Index has not been determined pursuant to paragraph 2(b)(i) 3 above, and a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement Inflation Index specified by the Inflation Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement index shall be the Inflation Index for purposes of the Inflation-Linked Notes from the date that such replacement Inflation Index comes into effect;
- (iii) if a Successor Inflation Index has not been determined pursuant to paragraphs 2(b)(i) or 2(b)(ii) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If four or five responses are received and, of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If three responses are received and two or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If fewer than three responses are received or no Successor Inflation Index is determined pursuant to this paragraph 2(b)(iii), the Calculation Agent will proceed to paragraph 2(b)(iv) below;
- (iv) if no replacement index or Successor Inflation Index has been determined under paragraphs 2(b)(i), 2(b)(ii) or 2(b)(iii) above by the next occurring Cut-Off Date, the Calculation Agent, subject as provided below, will determine an appropriate alternative index from such Cut-Off Date, and such index will be deemed a "Successor Inflation Index"; or
- (v) if the Calculation Agent determines that there is no appropriate alternative index in relation to Inflation-Linked Notes, the Issuer acting in good faith and in a commercially reasonable manner discretion may either (1) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the

appropriate adjustment, if any, to be made to the terms of the Notes to account for this event or (2) on giving notice to Noteholders in accordance with Condition 15 (*Notices*), the Issuer shall redeem or cancel, as applicable all but not some only of the Inflation-Linked Notes, each Inflation-Linked Note being redeemed or cancelled, as applicable by payment of the relevant Early Redemption Amount. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*).

(c) ***Rebasing of the Inflation Index***

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of the Inflation Index from the date of such rebasing; provided, however, that the Calculation Agent shall make adjustments as are made by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, if "Related Bond" is specified as applicable in the Applicable Transaction Terms, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, or, if "Related Bond" is not specified as applicable in the Applicable Transaction Terms, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased.

(d) ***Material modification prior to last occurring cut-off***

If, on or prior to the last occurring Cut-Off Date, the Inflation Index Sponsor announces that it will make a material change to the Inflation Index then the Calculation Agent shall make any such adjustments, if "Related Bond" is specified as applicable in the Applicable Transaction Terms, consistent with adjustments made to the Related Bond, or, if "Related Bond" is not specified as applicable in the Applicable Transaction Terms, only those adjustments to the Inflation Index necessary for the modified Inflation Index to continue as the Inflation Index.

(e) ***Manifest Error in publication***

To the extent that it has sufficient time and it is reasonable to do so prior to the relevant Maturity Date if, within thirty (30) calendar days of publication, the Calculation Agent determines that the Inflation Index Sponsor has corrected the level of the Inflation Index to remedy a manifest error in its original publication, the Calculation Agent may, in its discretion, make such adjustments to the terms of the Inflation-Linked Notes as it determines appropriate to account for the correction and will notify the Noteholders of any such adjustments in accordance with Condition 15 (*Notices*).

### **3. Additional Disruption Events**

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption and/or Increased Costs of Hedging in each case if specified as applying in the Applicable Transaction Terms.

(a) If an Additional Disruption Event occurs, the Issuer acting in good faith and in a commercially reasonable manner may either:

- (i) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any of the terms of the Notes to account for the Additional Disruption Event and determine the effective date of that adjustment; or
- (ii) redeem the Notes by giving notice to the Noteholders in accordance with Condition 15 (*Notices*). If the Notes are so redeemed the Issuer will pay each Noteholder the Early Redemption Amount in respect of each Note held by him. Payments will be made in such manner as will be notified to the Noteholders in accordance with Condition 15 (*Notices*).

- (b) Upon the occurrence of an Additional Disruption Event, the Issuer will give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) stating the occurrence of the Additional Disruption Event (including giving details thereof) and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event or the proposed action.

#### 4. Inflation Index disclaimer

The Notes are not sponsored, endorsed, sold or promoted by the Inflation Index or the Inflation Index Sponsor and the Inflation Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Inflation Index and/or the levels at which the Inflation Index stands at any particular time on any particular date or otherwise. The Inflation Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Inflation Index and the Inflation Index Sponsor is under no obligation to advise any person of any error therein. The Inflation Index Sponsor is not making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor (where the Issuer is HIIP) Haitong Bank shall have liability to the Noteholders for any act or failure to act by the Inflation Index Sponsor in connection with the calculation, adjustment or maintenance of the Inflation Index. Neither the Issuer nor (where the Issuer is HIIP) Haitong Bank nor their Affiliates has any affiliation with or control over the Inflation Index or the Inflation Index Sponsor or any control over the computation, composition or dissemination of the Inflation Index. Although the Calculation Agent will obtain information concerning the Inflation Index from publicly available sources it believes reliable, it 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 (where the Issuer is HIIP) Haitong Bank under the Keep Well Agreement, their Affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Inflation Index.

#### 5. Definitions

For the purpose of the Inflation-Linked Notes:

**"Change in Law"** means that, on or after the Issue Date (as specified in the Applicable Transaction Terms):

- (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or
- (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines acting in good faith and in a commercially reasonable manner that (i) it has become illegal for any Hedging Party to hold, acquire or dispose of any relevant hedging arrangements in respect of the Inflation Index, and/or (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer, any of its Affiliates or any other Hedging Party), or (iii) (where the Issuer is HIIP) the performance of Haitong Bank as keep well provider under the Keep Well Agreement has become unlawful.

**"Cut-Off Date"** means, in respect of a Determination Date, the number of Business Days specified in the Applicable Transaction Terms prior to any due date or scheduled date for payment under the Notes for which valuation on the relevant Determination Date is relevant.

**"Delayed Index Level Event"** means, in respect of any Determination Date and an Inflation Index, that the relevant Inflation Index Sponsor fails to publish or announce the level of such Inflation Index (the **"Relevant Level"**) in respect of any Reference Month which is to be utilised in any calculation or

determination to be made by the Issuer in respect of such Determination Date, at any time on or prior to the Cut-Off Date.

**"Determination Date"** means each date specified as such in the Applicable Transaction Terms.

**"End Date"** means each date specified as such in the Applicable Transaction Terms.

**"Fallback Bond"** means, in respect of an Inflation Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (a) the End Date specified in the Applicable Transaction Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the relevant Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but notwithstanding the immediately prior sentence, selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

**"Hedging Disruption"** means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk, including but not limited to currency risk, of the Issuer or (where the Issuer is HIIP) Haitong Bank, issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by the Calculation Agent.

**"Hedging Party"** means, at any relevant time, the Issuer, or any of its Affiliates or any entity (or entities) providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

**"Increased Cost of Hedging"** means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Issuer Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, inflation price risk, foreign exchange risk and interest rate risk) of the Issuer or (where the Issuer is HIIP) Haitong Bank issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**"Inflation Index Sponsor"** means, in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index which, as of the Issue Date, is the Inflation Index Sponsor specified in the Applicable Transaction Terms.

**"Reference Month"** means the calendar month for which the level of the Inflation Index is reported as specified in the Applicable Transaction Terms, regardless of when this information is published or announced; except that if the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level is reported.

**"Related Bond"** means, in respect of an Inflation Index, the bond specified as such in the Applicable Transaction Terms. If the Related Bond specified in the Applicable Transaction Terms is "Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the Applicable Transaction Terms as the Related Bond and "Fallback Bond: Not Applicable" is specified in the Applicable Transaction Terms, there will be no Related Bond. If a bond

is specified as the Related Bond in the Applicable Transaction Terms and that bond redeems or matures before the End Date (i) unless "Fallback Bond: Not Applicable" is specified in the Applicable Transaction Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination and (ii) if "Fallback Bond: Not Applicable" is specified in the Applicable Transaction Terms, there will be no Related Bond.

"**Relevant Level**" has the meaning set out in the definition of "Delayed Index Level Event" above.

## ANNEX 4: ADDITIONAL CONDITIONS FOR EQUITY-LINKED NOTES

The provisions below shall apply to Notes for which the Applicable Transaction Terms state that "Additional Conditions For Equity-Linked Notes" is applicable.

### 1. Depositary Receipts

#### (a) *Application of Depositary Receipt provisions*

The following provisions will apply if "Depositary Receipt provisions" is specified as applicable in the Applicable Transaction Terms. For the purposes of this Annex in relation to each relevant Depositary Receipt:

- (i) references to "**Reference Asset**" or "**Reference Assets**" shall be deemed to include an ordinary share or ordinary shares or other relevant equity securities, as the case may be, of the Reference Entity to which the relevant Depositary Receipts specified in the Applicable Transaction Terms relate;
- (ii) references to "**Relevant Exchange**" shall, in the context of the ordinary shares or other relevant equity securities of the Reference Entity, be deemed to be references to the Share Exchange specified in the Applicable Transaction Terms;
- (iii) references to "**Reference Entity**" shall, in the context of a Depositary Receipt, be deemed to include references to the issuer or obligor of the Depositary Receipts;
- (iv) with respect to Depositary Receipts only, the following additional event shall constitute a Potential Adjustment Event for the purposes of paragraph 3 (*Potential Adjustment Events*) of this Annex 4:

"a distribution in respect of the Reference Assets of property other than cash, shares or rights relating to any Reference Assets to the holder(s) of the Reference Assets;" and
- (v) with respect to Depositary Receipts only, the following events shall constitute Additional Disruption Events for the purposes of paragraph 6 (*Additional Disruption Events*) of this Annex 4:
  - (A) a Termination; and
  - (B) an Adjustment Event.

#### (b) *Definitions specific to Depositary Receipts*

"**Adjustment Event**" means (a) the terms and conditions of the Depositary Receipts have been altered or any adjustment or modification has been made pursuant to such terms and conditions (in each case whether by the Reference Entity or any party having influence over such terms and conditions) or the Depositary Receipts are converted into other securities and/or (b) the aggregate amounts (or currency thereof) to which a holder is entitled under the Depositary Receipts are altered.

"**Depositary Receipt**" means a depositary receipt relating to ordinary shares or other relevant equity securities issued by a Reference Entity, as specified in the Applicable Transaction Terms, subject to adjustment pursuant to the provisions specified in paragraphs 3 (*Potential Adjustment Events*), 4 (*Extraordinary Events*) and 6 (*Additional Disruption Events*) of this Annex 4.

"**Termination**" means, in relation to an issue of Depositary Receipts, such issue has been terminated, cancelled or otherwise ceased to be outstanding for any reason. This shall include, without limitation, the termination of the deposit agreement in respect of the Reference Assets and/or written instructions being given by the Reference Entity to the depository of the Reference Assets to withdraw or surrender the Reference Assets.

## 2. Market Disruption

"**Market Disruption Event**" means, in relation to Notes relating to a single Reference Asset or a basket of Reference Assets the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent acting in good faith and in a commercially reasonable manner, determines is material, at any time during the one hour period that for purposes of determining an Initial Price or a Start Price, begins at or, for purposes of determining a Closing Price or a Final Price, ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date.

## 3. Potential Adjustment Events

"**Potential Adjustment Event**" means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant Reference Assets (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the Applicable Transaction Terms, a Tender Offer) or a free distribution or dividend of any such Reference Assets to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Reference Assets of (A) such Reference Assets or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Reference Entity equally or proportionately with such payments to holders of such Reference Assets or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Reference Entity as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or certificates or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an Extraordinary Dividend (as defined in paragraph 7 (*Definitions relating to dividends*) of this Annex 4) as determined by the Calculation Agent;
- (d) a call by a Reference Entity, as the case may be, in respect of relevant Reference Assets that are not fully paid;
- (e) a repurchase by the Reference Entity or its subsidiaries, as the case may be, of relevant Reference Assets whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of a Reference Entity an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Reference Entity pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, certificates, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Reference Assets.

Following the declaration by the Reference Entity of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Reference Assets and, if so, will (i) make the corresponding adjustment, if any, to any one or more of (a) any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or (b) any of the other terms of the Conditions and/or the Applicable Transaction Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments

will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Reference Asset) and (ii) determine the effective date of that adjustment. In its determinations of the existence and extent of any dilutive or concentrative effect on the theoretical value of the Reference Assets relating to any Potential Adjustment Event, and any related adjustments to the terms of the Notes, the Calculation Agent may take into account any amounts of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Potential Adjustment Event. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Reference Assets traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as reasonably practicable under the circumstances to (i) the Issuer and the Principal Paying Agent and (ii) the Noteholders in accordance with Condition 15 (*Notices*), stating the adjustment to (a) any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or (b) any of the other terms of the Conditions and/or the Final Terms and giving brief details of the Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Potential Adjustment Event.

#### 4. Extraordinary Events

##### (a) *Definitions applicable to Extraordinary Events*

As used herein:

**"Extraordinary Event"** means any of an Additional Extraordinary Event, a De-Listing, an Insolvency, a Merger Event, a Nationalisation, a Tender Offer (provided that a Tender Offer shall only be an Extraordinary Event if specified as applicable in the Applicable Transaction Terms) and, in the case of Notes relating to a basket of Reference Assets or assets each of a De-Merger and a Participation Event (whether or not such events are Additional Extraordinary Events), and

**"Additional Extraordinary Event"** means any of a De-Merger, a Participation Event or Illiquidity but in each case only if specified as applicable in the Applicable Transaction Terms;

**"De-Listing"** means, in respect of any relevant Reference Assets, the Relevant Exchange announces that pursuant to the rules of such Relevant Exchange, such Reference Assets cease (or will cease) to be listed, traded or publicly quoted on the Relevant Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the Applicable Transaction Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Relevant Exchange (or, where the Relevant Exchange is within the European Union, in a member state of the European Union);

**"De-Merger"** means, in respect of any relevant Reference Assets, that the Reference Entity is affected by a de-merger including, without limitation, a spin off, scission or any operation of a similar nature;

**"Illiquidity"** means, in respect of any relevant Reference Assets, that, in the determination of the Calculation Agent, during any period of five (5) consecutive Scheduled Trading Days falling after the Issue Date (the "**Relevant Period**"), (a) the difference between the bid prices and the ask prices (as quoted on any Relevant Market) in respect of a Reference Asset during the Relevant Period is greater than 1 per cent. (on average), and/or (b) the average purchase price or the average selling price, determined by the Calculation Agent from the order book of the relevant Reference Asset on the Relevant Exchange during the Relevant Period, in relation to the purchase or sale of Reference Assets with a value equal to or greater than €10,000.00 (or its equivalent), is greater than MID plus 1% (in relation to a purchase of Reference Assets) or lower than the MID minus 1 per cent. (in relation to a sale of Reference Assets). For these purposes, "**MID**" means an amount equal to (a) the sum of the bid price and the ask price (as quoted on any Relevant Market), in each case for the relevant Reference Asset at the relevant time, (b) divided by two;

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Reference Entity (i) all the

Reference Assets of that Reference Entity are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Reference Assets of that Reference Entity become legally prohibited from transferring them;

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

**"Merger Event"** means, in respect of any relevant Reference Assets, any (i) reclassification or change of such Reference Assets that results in a transfer of or an irrevocable commitment to transfer all of such Reference Assets outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Reference Entity with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Reference Entity is the continuing entity and which does not result in a reclassification or change of all of such Reference Assets outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Reference Assets of the Reference Entity that results in a transfer of or an irrevocable commitment to transfer all such Reference Assets (other than such Reference Assets owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Reference Entity or its subsidiaries, as the case may be, with or into another entity in which the Reference Entity is the continuing entity and which does not result in a reclassification or change of all such Reference Assets outstanding but results in the outstanding Reference Assets (other than Reference Assets owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Reference Assets immediately following such event, in each case if the Merger Date is on or before (1) in the case of Cash Settled Notes, the last occurring Valuation Date or (2) in the case of Physical Delivery Notes, the relevant Maturity Date;

**"Nationalisation"** means that all the Reference Assets or all or substantially all the assets of the Reference Entity are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

**"Participation Event"** means that, in respect of a basket of Reference Assets, a Reference Entity takes a stake exceeding 20.00 per cent. of another separate Reference Entity comprised within the same basket of Reference Assets;

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Reference Entity 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; and

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

(b) ***Consequences of an Extraordinary Event***

If any Extraordinary Event occurs in relation to a Reference Asset, the Issuer acting in good faith and in a commercially reasonable manner may take the action described in (i), (ii), or (iii) below:

- (i) require the Calculation Agent to determine, acting in good faith and in a commercially reasonable manner, the appropriate adjustment, if any, to be made to any one or more of (A) the Asset Amount (in each case with respect to Physical Delivery Notes) and (B) or any of the other terms of the Conditions to account for such Extraordinary Event, as the case may be, and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Reference Assets or to the Notes, or selecting a replacement share and making any relevant adjustments in relation thereto. The Calculation Agent may (but need

- not) determine the appropriate adjustment by reference to the adjustment in respect of such Extraordinary Event made by any options exchange to options on the Reference Assets traded on that options exchange and the Calculation Agent may take into account any amounts of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Extraordinary Event; or
- (ii) where the Notes relate to a basket of Reference Assets or assets, on giving notice to Noteholders in accordance with Condition 15 (*Notices*), redeem each Note in part. If a Note is so redeemed or cancelled in part the portion (the "**Partial Amount**") of each such Note representing the affected Reference Asset(s) shall be redeemed or cancelled, as the case may be, and the Issuer will (x) pay to each Noteholder in respect of each Note held by him an amount equal to the fair market value of the Partial Amount, taking into account prevailing market prices and/or exchange prices of the affected Reference Asset and/or the relevant Extraordinary Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner; and (y) require the Calculation Agent to determine, acting in good faith and in a commercially reasonable manner, the appropriate adjustment, if any, to be made to any of the terms of the Conditions to account for such redemption or cancellation in part. For the avoidance of doubt the remaining part of each such Note after redemption or cancellation and adjustment shall remain outstanding with full force and effect (if applicable, as so adjusted). Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*); or
- (iii) on giving notice to Noteholders in accordance with Condition 15 (*Notices*), redeem all but some only of the Notes, each Note being redeemed at the Early Redemption Amount, which shall be determined by taking into account the relevant Extraordinary Event all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*); or
- (iv) following such adjustment to the settlement terms of options on the Reference Assets traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of (A) the Asset Amount (in each case with respect to Physical Delivery Notes) and/or (B) any of the other terms of the Conditions, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Reference Assets are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of (I) the Asset Amount (in each case with respect to Physical Delivery Notes) and/or (II) any of the other terms of the Conditions as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for such Extraordinary Event, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (v) if the Final Terms provide that "Reference Asset Substitution" is applicable, then on or after the relevant Merger Date, Tender Offer Date, or such other appropriate date (taking into account the Extraordinary Event) as the Calculation Agent may select, the Calculation Agent may adjust the terms of the Conditions to include a share selected by it in accordance with the criteria for share selection set out below (the "**Substitute Reference Assets** ") in place of the Reference Asset(s) (the "**Affected Reference Asset(s)**") which are affected by the relevant Extraordinary Event and the Substitute Reference Assets will be deemed to be "**Reference Assets**" and the relevant issuer of such shares, a "**Reference Entity**" for the purposes of the Notes, and the Calculation Agent will make such adjustment, if any, to the Asset Amount, any weighting applied to the Substitute Reference Assets, any of the terms of the Conditions and/or the Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate and shall determine the effective date (the "**Substitution Date**") for such substitution, provided that in the event that any amount payable

under the Notes was to be determined by reference to the Initial Price or value of the Affected Reference Assets, and unless the Calculation Agent determines this would be inappropriate or impracticable (in which case, the Calculation Agent may select such other methodology as it determines appropriate), the Initial Price of each Substitute Reference Asset will be determined by the Calculation Agent in accordance with the following formula;

$$\text{Initial Price} = A \times (B/C)$$

Where:

"A" is the official closing price of the relevant Substitute Reference Asset on the Relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected Reference Asset; and

"C" is the official closing price of the relevant Affected Reference Asset on the Relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the basket of Reference Assets or assets will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") acting in good faith and in a commercially reasonable manner and specified in the notice referred to in the final paragraph of this paragraph 4 (*Extraordinary Events*) which may, but need not, be the Merger Date or Tender Offer Date or the date of such Extraordinary Event, as applicable.

Unless the Calculation Agent determines this would be inappropriate (in which case, the Calculation Agent may select such other methodology as it determines appropriate), the weighting of each Substitute Reference Asset will be equal to the weighting of the relevant Affected Reference Asset.

In order to be selected as a Substitute Reference Asset, the relevant share must be a share which, as determined in good faith and in a commercially reasonable manner by the Calculation Agent:

1. is not already comprised in the basket of Reference Assets;
2. the relevant issuer in respect of which belongs to a similar economic sector as the Reference Entity in respect of the Affected Reference Asset; and
3. the relevant issuer in respect of which is of comparable market capitalisation and international standing as the Reference Entity in respect of the Affected Reference Asset ignoring for this purpose the occurrence of the relevant Merger Event, Tender Offer or Extraordinary Event.

Upon the occurrence of an Extraordinary Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*), stating the occurrence of the Extraordinary Event giving details thereof and the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Extraordinary Event or the proposed action.

## 5. Correction Of Share Price

With the exception of any corrections published after the day which is three (3) Exchange Business Days prior to the Maturity Date, if the price of the relevant Reference Asset published on a given day and used or to be used by the Calculation Agent to make any determination under the Notes, is subsequently corrected and the correction published by the Relevant Exchange within one Settlement Cycle after the original publication, the Calculation Agent may make any adjustments to the Conditions and/or adjust any subsequent payments under the Notes, as it may determine appropriate to take into account such correction(s). The price to be used shall be the price of the relevant Reference Asset as so corrected. Corrections published after the day which is three (3) Exchange Business Days prior to a due

date for payment under the Notes calculated by reference to the price of a Reference Asset, will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 6. Additional Disruption Events

"**Additional Disruption Event**" means any of Analogous Event, Change in Law, Currency Event, Failure to Deliver, Force Majeure Event, Hedging Disruption, Increased Costs of Hedging, Increased Cost of Stock Borrow, Insolvency Filing, Jurisdiction Event, Loss of Stock Borrow and/or, if applicable pursuant to paragraph 1 (*Depository Receipts*) of this Annex 4, a Termination or an Adjustment Event but in each case, only to the extent that such events are specified as applying to in the Applicable Transaction Terms.

### Consequences of an Additional Disruption Event

- (a) If an Additional Disruption Event occurs, the Issuer acting in good faith and in a commercially reasonable manner may take the action described in (i), or (ii) below:
- (i) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any one or more of (A) the Asset Amount (with respect to Physical Delivery Notes) and/or (B) any of the other terms of the Conditions to account for the Additional Disruption Event and determine the effective date of that adjustment. Without limitation, the Calculation Agent may take into account any amounts of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Additional Disruption Event; or
  - (ii) redeem or cancel the Notes, as the case may be, by giving notice to the Noteholders in accordance with Condition 15 (*Notices*). If the Notes are so redeemed or cancelled, as the case may be, the Issuer will pay an amount to each Noteholder in respect of each Note held by him which amount shall be the Early Redemption Amount, determined taking into account the Additional Disruption Event. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*), as applicable.
- (b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event or the proposed action.

## 7. Definitions relating to dividends

The following definitions apply in connection with Equity-Linked Notes:

"**Dividend Amount**" means, in respect of the relevant Reference Asset, the related Dividend Period and the related Dividend Payment Date, the Record Amount, the Ex Amount or the Paid Amount, as specified in the Applicable Transaction Terms, or included as part of an adjustment pursuant to paragraph 3 (*Potential Adjustment Events*) of this Annex 4.

"**Dividend Payment Date**" means, in respect of a Dividend Period, each date specified or otherwise determined as provided in the Applicable Transaction Terms or, if such date is not a Currency Business Day, the next following Currency Business Day. If no such date is specified in the Applicable Transaction Terms the Dividend Payment Date shall be the Interest Payment Date relating to the Dividend Period.

"**Dividend Period**" means, the First Period or the Second Period, as specified in the Applicable Transaction Terms. If no Dividend Period is specified in the Applicable Transaction Terms, the Dividend Period will be the Second Period.

**"Ex Amount"** means, in relation to a Dividend Amount, 100 per cent. of the Gross Cash Dividend per Reference Asset declared by the Reference Entity to holders of record of a Reference Asset where the date that the Reference Assets have commenced trading ex-dividend on the Relevant Exchange occurs during the relevant Dividend Period.

**"Excess Dividend Amount"** means, in respect of a Dividend Period, the Extraordinary Dividend Record Amount, the Extraordinary Dividend Ex Amount or the Extraordinary Dividend Paid Amount, as specified in the Applicable Transaction Terms.

**"Extraordinary Dividend"** means an amount per Reference Asset specified in the Applicable Transaction Terms. If no Extraordinary Dividend is specified in the Applicable Transaction Terms, the characterisation of a dividend or portion thereof as an Extraordinary Dividend shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

**"Extraordinary Dividend Ex Amount"** means, in relation to an Excess Dividend Amount, 100 per cent. of the Extraordinary Dividend per Reference Asset declared by the Reference Entity to holders of record of a Reference Asset where the date that the Reference Assets have commenced trading ex-dividend on the Relevant Exchange occurs during the relevant Dividend Period.

**"Extraordinary Dividend Paid Amount"** means, in relation to an Excess Dividend Amount 100 per cent. of the Extraordinary Dividend per Reference Asset paid by the Reference Entity during the relevant Dividend Period to holders of record of a Reference Asset.

**"Extraordinary Dividend Record Amount"** means, in relation to an Excess Dividend Amount 100 per cent. of the Extraordinary Dividend per Reference Asset declared by the Reference Entity to holders of record of a Reference Asset on any record date occurring during the relevant Dividend Period.

**"First Period"** means each period from, and including, one Interest Payment Date to, but excluding, the next following Interest Payment Date, except that (i) the initial Dividend Period will commence on, and include, the Clearance System Business Day that is one Settlement Cycle following the Trade Date and (ii) the final Dividend Period will end on, but exclude, the final Interest Payment Date.

**"Paid Amount"** means, in relation to a Dividend Amount, 100 per cent. of the Gross Cash Dividend per Reference Asset paid by the Reference Entity during the relevant Dividend Period to holders of record of a Reference Asset.

Any **"Gross Cash Dividend"** shall represent a sum before the withholding or deduction of taxes at the source by or on behalf of any applicable authority having power to tax in respect of such a dividend, and shall exclude any imputation or other credits, refunds or deductions granted by any applicable authority having power to tax in respect of such dividend and any taxes, credits, refunds or benefits imposed, withheld, assessed or levied thereon. In addition, "Gross Cash Dividends" shall exclude Extraordinary Dividends and Excess Dividend Amounts, if any.

**"Record Amount"** means, in relation to a Dividend Amount, 100 per cent. of the Gross Cash Dividend per Reference Asset declared by the Reference Entity to holders of record of a Reference Asset on any record date occurring during the relevant Dividend Period.

**"Second Period"** means each period from, but excluding, one Valuation Date to, and including, the next Valuation Date, except that (i) the initial Dividend Period will commence on, but exclude, the Issue Date and (ii) the final Dividend Period will end on, and include, (a) the final Valuation Date or (b) in respect of Physical Delivery Notes, the date that is one Settlement Cycle prior to the Maturity Date.

## 8. Non-Euro quoted shares

In respect of Notes relating to Reference Assets originally quoted, listed and/or dealt as of the Issue Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such shares are at any time after the Issue Date quoted, listed and/or dealt exclusively in euro on the Relevant Exchange or, where no Relevant Exchange is specified in the

Applicable Transaction Terms, the principal market on which those Reference Assets are traded, then the Calculation Agent may adjust any of the terms of the Conditions as the Calculation Agent determines acting in good faith and in a commercially reasonable manner to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the relevant Valuation Time (or such other time as the Calculation Agent determines appropriate) at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of such time. No adjustments under this provision will affect the currency denomination of any payment obligation arising out of the Notes.

## 9. Definitions

**"Analogous Event"** means any event analogous to any of the Additional Disruption Events: Change in Law, Currency Event, Failure to Deliver, Force Majeure Event, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow and Loss of Stock Borrow, in each case if such Additional Disruption Event applies all as determined by the Calculation Agent;

**"Change in Law"** means that, on or after the Trade Date (as specified in the Applicable Transaction Terms):

- (a) due to the adoption of, or any change in, any applicable law or regulation (including, without limitation, any tax law), or
- (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines acting in good faith and in a commercially reasonable manner that (i) it has become illegal for any Hedging Party to hold, acquire or dispose of any relevant hedging arrangements relating to a relevant Reference Asset and/or (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer, any of its Affiliates or any Hedging Party), or (iii) the performance of Haitong Bank as keep well provider under the Keep Well Agreement (if applicable) has become unlawful.

**"Clearance System"** means, in respect of a Reference Asset, the principal domestic clearance systems customarily used for settling trades in that Reference Asset.

**"Clearance System Business Day"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of a settlement disruption event, would have been) open for acceptance and execution of settlement instructions.

**"Currency Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible (a) for the Issuer or any of its Affiliates or a Hedging Party to convert the relevant currency ("**Local Currency**") in which the Reference Assets or any options or futures contracts or other hedging arrangement in relation to the Reference Assets are denominated, into the currency required for settlement of the Notes ("**Settlement Currency**"), or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Reference Assets or any options or futures contracts in relation to the Reference Assets are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Notes, all as determined by the Calculation Agent.

**"Disrupted Day"** means any Scheduled Trading Day on which:

- (a) a Relevant Exchange or any Options or Futures Exchange fails to open for trading during its regular trading session;
- (b) a Market Disruption Event has occurred; or

- (c) where both Exchange Business Day (Combination Structures Basis) and Scheduled Trading Day (Combination Structures Basis) are specified as applicable in the Applicable Transaction Terms for Equity-Linked Notes and Index-Linked/ETF Notes, a Disrupted Day occurs under and as defined in Annex 5 (*Additional Conditions for Index-Linked Notes and ETF Notes*).

**"Early Closure"** means the closure on any Exchange Business Day of the Relevant Exchange(s) or any Options or Futures Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Relevant Exchange(s) or Options or Futures Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Relevant Exchange(s) or Options or Futures Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Relevant Exchange or Options or Futures Exchange system for execution at the Valuation Time that would apply to the determination of a Closing Price on such Exchange Business Day.

**"Exchange Business Day"** means (a) in the case of a single Reference Asset, Exchange Business Day (Single Reference Asset Basis) or (b) in the case of a basket of Reference Assets, (i) Exchange Business Day (All Reference Assets Basis) or (ii) Exchange Business Day (Per Reference Asset Basis) or (iii) Exchange Business Day (Combination Structures Basis), in each case as specified in the Applicable Transaction Terms provided that if, in the case of (b), no such specification is made in the Applicable Transaction Terms, Exchange Business Day (All Reference Assets Basis) shall apply.

**"Exchange Business Day (All Reference Assets Basis)"** means, in respect of a basket of Reference Assets, any Scheduled Trading Day on which each Relevant Exchange and each Options or Futures Exchange (if any) in respect of all Reference Assets comprised in the basket of Reference Assets or assets is open for trading during its regular trading session, notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time.

**"Exchange Business Day (Combination of Structures Basis)"** means, in respect of a basket of Reference Assets, any Scheduled Trading Day on which each Relevant Exchange and each Options or Futures Exchange (if any) in respect of all Reference Assets comprised in the basket of assets is open for trading during its regular trading session (notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time) which is also an Exchange Business Day under and as defined in Annex 5 (*Additional Conditions for Index-Linked Notes and ETF Notes*), where "Combination of Structures (Interest)" and/or "Combination of Structures (Redemption)" is specified as applicable in the Applicable Transaction Terms.

**"Exchange Business Day (Per Reference Asset Basis)"** means, in respect of a Reference Asset, any Scheduled Trading Day on which the Relevant Exchange and each Options or Futures Exchange (if any) in respect of such Reference Asset is open for trading during its regular trading session, notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time.

**"Exchange Business Day (Single Reference Asset Basis)"** means any Scheduled Trading Day on which the Relevant Exchange and each Options or Futures Exchange (if any) is open for trading during its regular trading session, notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time.

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Reference Assets on the Relevant Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Reference Asset on any relevant Options or Futures Exchange.

**"Failure to Deliver"** means failure of the Hedging Party to deliver, when due, the relevant assets comprising the Asset Amount, where such failure to deliver is due to illiquidity in the market for such Reference Assets.

**"Force Majeure Event"** means that on or after the Trade Date, the performance of the Issuer's obligations under the Notes or a Hedging Agreement or the performance of a Hedging Party's obligations under a Hedging Agreement is prevented or materially hindered or delayed due to (a) any

act (other than a Market Disruption Event), law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any Government Authority or otherwise, or (b) the occurrence of civil war, disruption, military action, unrest, political insurrection, terrorist activity of any kind, riot, public demonstration and/or protest, or any other financial or economic reasons or any other causes or impediments beyond the Issuer's control, or (c) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer or the Hedging Party and/or any of its Affiliates of all or substantially all of its assets in a relevant or connected jurisdiction.

**"Government Authority"** means any nation, state or government, any province or other political subdivision thereof, any body, agency or ministry, any taxing, monetary, foreign exchange or other authority, court, tribunal or other instrumentality and any other entity exercising, executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

**"Hedging Agreement"** means any transaction that hedges the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the Notes.

**"Hedging Disruption"** means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk, including but not limited to the currency risk, of the Issuer or (where the Issuer is HIIP) Haitong Bank issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by the Calculation Agent.

**"Hedging Party"** means, at any relevant time, the Issuer or any of its Affiliates or any other entity (or entities) providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

**"Hedging Reference Assets"** means the number of Reference Assets that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes.

**"Increased Costs of Hedging"** means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer or (where the Issuer is HIIP) Haitong Bank issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**"Increased Cost of Stock Borrow"** means that the Hedging Party would incur a rate to borrow any Reference Asset that is greater than the Initial Stock Loan Rate.

**"Initial Stock Loan Rate"** means, unless otherwise specified in the Applicable Transaction Terms, and in respect of a Reference Asset, the rate which the Hedging Party would have incurred to borrow such Reference Asset in any Relevant Market, as of the Trade Date, as determined by the Calculation Agent.

**"Insolvency Filing"** means that a Reference Entity institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Reference Entity shall not be deemed an Insolvency Filing.

**"Jurisdiction Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates or a Hedging Party to purchase, sell, hold or otherwise deal (or to continue to do so in the future) in the Reference Assets or a options or futures contracts in relation to the Reference Assets in order for the Issuer to perform its obligations under the Notes or in respect of any relevant hedging arrangements in connection with the Notes (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position or other instruments or arrangements (however described) by the Issuer and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Notes) or the costs of so doing would, as determined in good faith and in a reasonable manner by the Calculation Agent, be materially increased under the restriction or limitation of the existing or future law, rule, regulation, judgment, order, interpretation, directive or decree of any Government Authority or otherwise, all as determined by the Calculation Agent.

**"Local Jurisdiction"** has the meaning given in the definition of Offshore Investor.

**"Local Taxes"** shall mean taxes, duties, and similar charges imposed by the taxing authority of the country in which the Reference Entity has been incorporated or in which the Relevant Exchange is located.

**"Loss of Stock Borrow"** means that the Hedging Party is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Reference Asset in an amount equal to the Hedging Reference Assets at a rate equal to or less than the Maximum Stock Loan Rate.

**"Maximum Stock Loan Rate"** means, unless otherwise specified in the Applicable Transaction Terms, and in respect of a Reference Asset, the lowest rate which the Hedging Party, after using commercially reasonable efforts, would have incurred to borrow such Reference Asset in any Relevant Market, in an amount equal to the Hedging Reference Assets, as of the Issue Date, as determined by the Calculation Agent.

**"Offshore Investor"** shall mean a holder of Reference Assets who is an institutional investor not resident in the country in which the Reference Entity has been incorporated or in which the Relevant Exchange is located (the **"Local Jurisdiction"**), for the purposes of the tax laws and regulations of the Local Jurisdiction and, for the avoidance of doubt, whose jurisdiction of residence (i) shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner and (ii) may be the jurisdiction of a Hedging Party.

**"Relevant Market"** means, for the purpose of determining any value or other amount pursuant to this Annex, any relevant quotation system, exchange, dealing system, screen page, over-the-counter derivatives or other market which the Calculation Agent determines appropriate for such purpose and which it may select taking into account hedging arrangements of the Issuer and/or its Affiliates for the Notes.

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

**"Scheduled Opening Time"** means, in respect of a Relevant Exchange or Options or Futures Exchange and a Scheduled Trading Day, the scheduled weekday opening time of such Relevant Exchange or Options or Futures Exchange on such Scheduled Trading Day, without regard to any pre-opening or any other trading outside of the regular trading session hours.

**"Scheduled Trading Day"** means (a) in the case of a single Reference Asset, Scheduled Trading Day (Single Reference Asset Basis) or (b) in the case of a basket of Reference Assets or assets, (i) Scheduled Trading Day (All Reference Assets Basis) or (ii) Scheduled Trading Day (Per Reference Asset Basis) or (iii) Scheduled Trading Day (Combination of Structures Basis), in each case as specified in the Applicable Transaction Terms, provided that if, in the case of (b), no such specification is made in the Applicable Transaction Terms, Scheduled Trading Day (All Reference Assets Basis) shall apply.

**"Scheduled Trading Day (All Reference Assets Basis)"** means, in respect of a basket of Reference Assets or assets, any day on which each Relevant Exchange and each Options or Futures Exchange (if any) in respect of all Reference Assets comprised in the basket of Reference Assets is scheduled to be open for trading for its regular trading session.

**"Scheduled Trading Day (Combination of Structures Basis)"** means, in respect of a basket of assets, any day on which each Relevant Exchange and each Options or Futures Exchange (if any) in respect of all Reference Assets comprised in the basket of assets is scheduled to be open for trading for its regular trading session which is also a Scheduled Trading Day for the purpose of Annex 5 (*Additional Conditions for Index-Linked Notes and ETF Notes*), where "Combination of Structures (Interest)" and/or "Combination of Structures (Redemption)" is specified as applicable in the Applicable Transaction Terms.

**"Scheduled Trading Day (Per Reference Asset Basis)"** means, in respect of a Reference Asset, any day on which the Relevant Exchange and each Options or Futures Exchange (if any) in respect of such Reference Asset is scheduled to be open for trading for its regular trading session.

**"Scheduled Trading Day (Single Reference Asset Basis)"** means any day on which the Relevant Exchange and each relevant Options or Futures Exchange (if any) is scheduled to be open for trading during its regular trading session.

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

**"Settlement Cycle"** means, in respect of any Reference Asset, the period of Clearance System Business Days following a trade in Reference Assets on the Relevant Exchange in which settlement will customarily occur according to the rules of such Relevant Exchange.

**"Settlement Price"** means, subject as referred to in "Valuation Date" below in respect of a Reference Asset, an amount equal to the Initial Price, Start Price, Final Price, Closing Price (as specified in the Applicable Transaction Terms in relation to Settlement Price) quoted on the Relevant Exchange for such Reference Asset on the relevant Valuation Date, (or if, in the opinion of the Calculation Agent, any such Initial Price, Start Price, Final Price, Closing Price cannot be so determined and the Valuation Date is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the fair market buying price at the Valuation Time on the Valuation Date and the fair market selling price at the Valuation Time on the Valuation Date for the Reference Asset 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 Reference Asset or on such other factors as the Calculation Agent shall decide).

**"Specified Maximum Days of Disruption"** means the lesser of (a) such number of Scheduled Trading specified in the Applicable Transaction Terms and (b) such number of Scheduled Trading Days in the period from (but excluding) the Scheduled Valuation Date to (but excluding) the third (3rd) Business Day prior to any due date or scheduled date for any payment under the Notes for which valuation on the relevant Valuation Date is relevant, all as determined by the Calculation Agent.

**"Trading Disruption"** means, any suspension of or limitation imposed on trading by the Relevant Exchange or Options or Futures Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange or Options or Futures Exchange or otherwise (a) relating to the share or (b) in futures or options contracts relating to such share on any relevant Options or Futures Exchange.

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended.

**"Valuation Date"** means the date specified as such in the Applicable Transaction Terms and otherwise in accordance with the above provisions or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) in the case of Notes relating to a single Reference Asset, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price (including without limitation the conversion of such amount from or into any applicable currency) in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; or
- (b) in the case of Notes relating to a basket of Reference Assets the Valuation Date for each Reference Asset not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Reference Asset affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, the level or value as applicable, determined using its good faith estimate of the value for the Affected Item as of the Valuation Time on the last consecutive Scheduled Trading Day.

## ANNEX 5: ADDITIONAL CONDITIONS FOR INDEX-LINKED NOTES AND ETF NOTES

The provisions below shall apply to Notes for which the Applicable Transaction Terms state that "Additional Conditions For Index-Linked Notes and ETF Notes" is applicable.

### 1. Exchange Traded Funds and Indices

This Annex will apply to any Reference Asset comprising (i) an Exchange Traded Fund (or ETF) or (ii) an Index or Indices (as defined below), to which the Notes relate as specified in the Applicable Transaction Terms. For each such Reference Asset a Related Index is specified in the Applicable Transaction Terms. In this case all references to an Index in this Annex will be deemed to refer to each such Related Index.

### 2. Market Disruption

"**Market Disruption Event**" means, in relation to Notes relating to a single Index or Reference Asset or basket containing any Index or Reference Asset:

- (a) in respect of a Composite Index:
  - (i) (x) the occurrence or existence, in respect of any Component Security, of:
    - (A) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that, for purposes of determining an Initial Price, begins at or, for purposes of determining a Final Price ends at the relevant Valuation Time in respect of the Relevant Exchange on which such Component Security is principally traded;
    - (B) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that, for purposes of determining an Initial Price, begins at or, for purposes of determining a Final Price, ends at the relevant Valuation Time in respect of the Relevant Exchange on which such Component Security is principally traded; or
    - (C) an Early Closure in respect of such Component Security; and
  - (y) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20.00 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in each case, in respect of futures or options contracts relating to such Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that, for purposes of determining an Initial Price, begins at or, for purposes of determining a Final Price ends at the Valuation Time in respect of the Options or Futures Exchange; or (c) an Early Closure.

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

- (b) in the case of Non-Composite Indices or a Reference Asset comprising an ETF Share, the occurrence or existence of (1) at any time during the one hour period that, for purposes of

determining an Initial Price, begins at or, for purposes of determining a Final Price ends at the relevant Valuation Time (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, or (2) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a Component Security included in such Index at any time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a Component Security included in such Index at any time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (i) the portion of the level of such Index attributable to that Component Security and (ii) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event. The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been a Valuation Date.

### 3. Adjustments to an Index

#### (a) Successor Index Sponsor Calculates and Reports an Index

If a relevant 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 that Index,

then in each case that Index (the "**Successor Index**") will be deemed to be the Index.

#### (b) Modification and Cessation of Calculation of an Index

If, in the determination of the Calculation Agent,

- (i) on or prior to the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation, contracts or commodities and other routine events) (an "**Index Modification**"); or
- (ii) the relevant Index Sponsor permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"); or
- (iii) on any Valuation Date, the Index Sponsor or (if applicable) the successor sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**");

then the Issuer may take the action in (A), (B) or (C) below:

- (A) require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Notes and, if so, shall calculate the relevant Index/Relevant Asset Level using, in lieu of a published level for that Index or the related Reference Asset, the level for that Index or Reference Asset as at the Valuation Time on that Valuation Date as determined by the Calculation Agent which in the case of an Index

will be determined in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those Component Securities that comprised that Index immediately prior to that Index Adjustment Event and in the case of a Reference Asset will be determined as the fair market value of the relevant Reference Asset;

- (B) require the Calculation Agent to replace the affected Index/ Reference Asset by a new Index/ Reference Asset provided that such new index or Reference Asset is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of securities/components listed on one or more exchanges of one or more OECD countries and make relevant adjustments to the Conditions to account for such replacement; or
- (C) on giving notice to Noteholders in accordance with Condition 15 (*Notices*), redeem all but not some only of the Notes, each Note being redeemed by payment of the relevant Early Redemption Amount.

(c) **Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Agent of any determination made by it pursuant to paragraph (b) above and the action proposed to be taken in relation thereto and such Agent shall make available for inspection by Noteholders copies of any such determinations.

**4. Correction of Index or ETF share price**

With the exception of any corrections published after the day which is three (3) Exchange Business Days prior to the Maturity Date, if the level of an Index or Reference Asset published on a given day and used or to be used by the Calculation Agent to make any determination under the Notes, is subsequently corrected and the correction published by the relevant Index Sponsor, Relevant Exchange or Options or Futures Exchange within one Settlement Cycle after the original publication, the level to be used for calculation of any relevant value in relation to the Notes shall be the level of the Index or Reference Asset comprising an ETF Share as so corrected and the Calculation Agent may make any relevant adjustment to the Conditions or any subsequent amount payable under the Notes to account therefor, as the Calculation Agent determines appropriate in good faith and in a commercially reasonable manner.

**5. Potential Adjustment Events**

"**Potential Adjustment Event**" means in respect of Reference Assets comprising ETF Shares any of the following:

- (a) a subdivision, consolidation or reclassification of relevant ETF Shares (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the Applicable Transaction Terms, a Tender Offer) or a free distribution or dividend of any such ETF Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant ETF Shares of (A) such ETF Shares or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Reference Asset equally or proportionately with such payments to holders of such ETF Shares or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Reference Asset, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or certificates or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an Extraordinary Dividend as determined by the Calculation Agent;

- (d) a repurchase by the relevant ETF or any of its subsidiaries of ETF Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (e) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETF Shares.

Following the declaration by the relevant ETF of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith and in a commercially reasonable manner, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETF Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of (a) any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or (b) any of the other terms of the Conditions as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETF Share) and (ii) determine the effective date of that adjustment. In its determinations of the existence and extent of any dilutive or concentrative effect on the theoretical value of the ETF Shares relating to any Potential Adjustment Event, and any related adjustments to the terms of the Notes, the Calculation Agent may take into account any amounts of Local Taxes that would, in the determination of the Calculation Agent, be withheld from or paid or otherwise incurred by an Offshore Investor in connection with such Potential Adjustment Event. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETF Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as reasonably practicable under the circumstances to (i) the Issuer and the Principal Paying Agent and (ii) the Noteholders in accordance with Condition 15 (*Notices*), stating the adjustment to (a) any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or (b) any of the other terms of the Conditions and giving brief details of the Potential Adjustment Event, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Potential Adjustment Event.

## 6. Additional Disruption Events

"Additional Disruption Event" means any of Change in Law, Hedging Disruption, Increased Costs of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow, Merger Event, Tender Offer, Nationalisation, Insolvency, De-Listing and/or ETF Event, but in each case, only to the extent that such events are specified as applying to in the Applicable Transaction Terms.

### Consequences of an Additional Disruption Event

- (a) If an Additional Disruption Event occurs, the Issuer acting in good faith and in a commercially reasonable manner may either:
  - (i) require the Calculation Agent to replace the affected Index or ETF Share by a new Index or ETF Share (as applicable) provided that such new Index or ETF Share (as applicable) is (a) representative of the same economic or geographic sector (as the case may be), and (b) to the extent possible, representative of securities/components listed on one or more exchanges of one or more OECD countries and make relevant adjustments to the Conditions to account for such replacement; or
  - (ii) require the Calculation Agent to determine acting in good faith and in a commercially reasonable manner the appropriate adjustment, if any, to be made to any of the terms of the Notes to account for the Additional Disruption Event and determine the effective date of that adjustment; or
  - (iii) redeem or cancel, as the case may be, the Notes by giving notice to the Noteholders in accordance with Condition 15 (*Notices*). If the Notes are so redeemed or cancelled, the Issuer will pay each Noteholder the Early Redemption Amount in respect of each

Note held by him determined taking into account the Additional Disruption Event. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*).

- (b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) stating the occurrence of the Additional Disruption Event giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event or the proposed action.

## 7. Index disclaimer

The Notes are not sponsored, endorsed, sold or promoted by any Index or any Index Sponsor and no Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of any Index and/or the levels at which such Index stands at any particular time on any particular date or otherwise. No Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. The Issuer (or, if applicable, Haitong Bank under the Keep Well Agreement) shall have no liability to the Noteholders for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of any Index. Neither the Issuer (or, if applicable, Haitong Bank under the Keep Well Agreement) nor its Affiliates has any affiliation with or control over any Index or Index Sponsor or any control over the computation, composition or dissemination of such Index. Although the Calculation Agent will obtain information concerning the Indices from publicly available sources it believes reliable, it 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, if applicable, Haitong Bank under the Keep Well Agreement), its Affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning any Index.

## 8. Definitions

"**Change in Law**" means that, on or after the Trade Date (as specified in the Applicable Transaction Terms):

- (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or
- (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines acting in good faith and in a commercially reasonable manner that (i) it has become illegal for any Hedging Party to hold, acquire or dispose of any relevant hedging arrangements relating to a Component Security or the relevant hedge positions relating to an Index or Reference Asset and/or (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer, any of its Affiliates or any Hedging Party), or (iii) the performance of Haitong Bank under the Keep Well Agreement has become unlawful.

"**Clearance System**" means in respect of any security or asset comprised in an Index or a Reference Asset the principal domestic clearance system customarily used for setting trades in that security or asset or the Reference Asset.

"**Clearance System Business Day**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of a settlement disruption event, would have been) open for acceptance and execution of settlement instructions.

"**Component Security**" means each and any component security or asset of any Index.

"**Composite Index**" means any Index in respect of which the securities comprising such Index are listed, traded or quoted on more than one exchange or quotation system as determined by the Calculation Agent and provided that, notwithstanding this definition, the Calculation Agent may elect to treat an Index as a Non-Composite Index if it determines this is appropriate.

"**De-Listing**" means, in respect of any relevant ETF Shares, the Relevant Exchange announces that pursuant to the rules of such Relevant Exchange, such ETF Shares cease (or will cease) to be listed, traded or publicly quoted on the Relevant Exchange for any reason (other than a Merger Event or, if Tender Offer is specified as applying in the Applicable Transaction Terms, a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Relevant Exchange (or, where the Relevant Exchange is within the European Union, in a member state of the European Union).

"**Disrupted Day**" means any day which is:

- (a) (i) in the case of a Composite Index, any Scheduled Trading Day on which: (A) the Index Sponsor fails to publish the level of the Index; (B) the Options or Futures Exchange fails to open for trading during its regular trading session; or (C) a Market Disruption Event has occurred; or
- (ii) in the case of any Non-Composite Index, any Scheduled Trading Day on which: (A) the Relevant Exchange or the Options or Futures Exchange fails to open for trading during their regular trading session or (B) a Market Disruption Event has occurred; or
- (b) in the case of a Reference Asset, (i) any Scheduled Trading Day on which a Market Disruption Event has occurred, or (ii) a Relevant Exchange or any Options or Futures Exchange fails to open during its regular trading session; or
- (c) where both Exchange Business Day (Combination Structures Basis) and Scheduled Trading Day (Combination Structures Basis) are specified as applicable in the Applicable Transaction Terms for Index-Linked/ETF Notes and Equity-Linked Notes, a Disrupted Day occurs under and as defined in Annex 4 (*Additional Conditions for Equity-Linked Notes*).

"**Early Closure**" means:

- (a) in the case of a Composite Index, the closure on any Exchange Business Day of the Relevant Exchange in respect of any Component Security or the Options or Futures Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Relevant Exchange or Options or Futures Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Relevant Exchange or Options or Futures Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Relevant Exchange or Options or Futures Exchange system for execution at the relevant Valuation Time that would apply to the determination of a Closing Price on such Exchange Business Day; and
- (b) in the case of any Non-Composite Index or Reference Asset, the closure on any Exchange Business Day with respect to such Index of any Relevant Exchange(s) relating to Component Securities that comprise 20.00 per cent. or more of the level of such Index or any Options or Futures Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Relevant Exchange(s) or Options or Futures Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Relevant Exchange(s) or Options or Futures Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Relevant Exchange or Options or Futures Exchange system for execution at the Valuation Time that would apply to the determination of a Closing Price on such Exchange Business Day.

"**ETF**" means (in respect of an ETF Share) an Exchange Traded Fund.

**"ETF Event"** means, in respect of a Reference Asset and/or the ETF Shares in respect of such Reference Asset, the occurrence or existence, at any time, in respect of such Reference Asset or ETF Shares, as the case may be, of any of the following, as determined by the Calculation Agent:

- (a) the Reference Asset is dissolved or the Reference Asset or ETF Shares cease to exist;
- (b) any voluntary or involuntary liquidation, bankruptcy, insolvency or analogous proceedings are commenced with respect to the Reference Asset or a resolution is proposed for the winding up or dissolution of the Reference Asset;
- (c) the Reference Asset is reclassified, consolidated, amalgamated or merged with another fund whose investment objective(s), risk profile and/or investment benchmark(s) is or are deemed by the Calculation Agent to be different from the investment objective(s), risk profile and/or benchmark(s) that applied to the Reference Asset as at the Issue Date, or a resolution or other decision is proposed to effect any such reclassification, consolidation, amalgamation or merger;
- (d) the Reference Asset consolidates, amalgamates or merges with any other fund such that the Reference Asset is not the continuing entity, the Reference Asset changes its form or a resolution or other decision is proposed to effect any such consolidation, amalgamation, merger or change;
- (e) there is a change or any announcement regarding such change that in the opinion of the Calculation Agent is material in the investment objective(s), investment restrictions, investment process, investment guidelines, risk profile, or investment benchmark(s) of the Reference Asset (howsoever described, including the underlying type of assets in which the Reference Asset invests), the information about the Reference Asset disclosed in the Fund Documents, any additional public statement of information concerning the Reference Asset or any rule, law, regulation, similar guideline or other document governing the activities of the Reference Asset or a resolution or other decision is proposed to effect any such material change;
- (f) any event occurs which is likely to have a material adverse effect on the solvency or liquidity of the Reference Asset as well as the value of the ETF Shares, including, but not limited to, any material litigation concerning the Reference Asset between any holders of the ETF Shares and the Reference Asset or the Reference Asset and any Fund Service Provider;
- (g) there is any restriction under the constitution of the Reference Asset or the law of the jurisdiction in which the Reference Asset is incorporated that is likely to prevent a Hedging Party subscribing for ETF Shares or as a result of which a Hedging Party is likely to be required to redeem any ETF Shares;
- (h) the activities of the Reference Asset or any Fund Service Provider are placed under review by its regulators for reasons of wrongdoing, breach of any rule or regulation or similar reason;
- (i) (A) a Fund Service Provider ceases to act in such capacity in relation to the Reference Asset (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent; and/or (B) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Reference Asset and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Documents which failure is reasonably likely to have an adverse impact on the value of the ETF Shares or on the rights or remedies of any investor therein;
- (j) a Relevant Exchange announces that pursuant to the rules of such Relevant Exchange, ETF Shares cease (or will cease) to be listed, traded or publicly quoted on the Relevant Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Relevant Exchange (or, where the Relevant Exchange is within the European Union, in any member state of the European Union);

- (k) the Reference Asset ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction, provided that on the relevant Issue Date, the Reference Asset was such an undertaking and any such cessation would, in the sole and absolute discretion of the Calculation Agent, have a material adverse effect on any investor in such ETF Shares;
- (l) all the shares or all the assets or substantially all the assets of the Reference Asset are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
- (m) any subscription or redemption orders with respect to the ETF Shares are not executed as described in the Fund Documents;
- (n) any suspension or delay of the calculation or publication of the net asset value of the Reference Asset or ETF Shares or any failure by any Fund Service Provider to deliver when due any relevant report detailing the net asset value of the Reference Asset;
- (o) the increase of, or introduction by the Reference Asset of, charges for dealings in ETF Shares; or
- (p) changes in the regulatory, tax, accounting and/or another treatment applicable to the Reference Asset and/or which might reasonably be expected to have an economic, legal or regulatory impact on a holder of ETF Shares.

"**ETF Share**" means, in respect of a Reference Asset comprising an Exchange Traded Fund, the share, unit or other interest or unit of holding in the Reference Asset (including, without limitation, any debt security) issued to or held by an investor in respect of such Reference Asset.

"**Exchange Business Day**" means (a) in the case of a single Index or Reference Asset, Exchange Business Day (Single Index/ Reference Asset Basis) or (b) in the case of a basket of Indices or Reference Assets or assets, (i) Exchange Business Day (All Indices/ Reference Assets Basis) or (ii) Exchange Business Day (Per Index/ Reference Asset Basis) or (iii) Exchange Business Day (Combination Structures Basis), in each case as specified in the Applicable Transaction Terms, provided that, in the case of (b), if no such specification is made in the Applicable Transaction Terms, Exchange Business Day (All Indices/ Reference Assets Basis) shall apply.

"**Exchange Business Day (All Indices/Reference Assets Basis)**" means, in respect of a basket of Indices or Reference Assets or assets, any Scheduled Trading Day on which (a) in respect of any Non-Composite Index, each Relevant Exchange and each Options or Futures Exchange (if any) is open for trading for its regular trading session in respect of all Indices and/or Reference Assets comprised in the basket, notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time and (b) in respect of any Composite Index, (i) the relevant Index Sponsor calculates and publishes the level of such Composite Index and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of each Composite Index or Reference Asset in the basket, is open for trading during its regular trading session notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time.

"**Exchange Business Day (Combination Structures Basis)**" means, in respect of a basket of assets, any Scheduled Trading Day on which (a) in respect of any Non-Composite Index, each Relevant Exchange and each Options or Futures Exchange (if any) is open for trading for its regular trading session in respect of all Indices and/or Reference Assets comprised in the basket, notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time and (b) in respect of any Composite Index, (i) the relevant Index Sponsor calculates and publishes the level of such Composite Index and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of each Composite Index or Reference Asset in the basket, is open for trading during its regular trading session (notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time) which, in each case, is also an Exchange Business Day under and as defined in Annex 4 (*Additional Conditions for*

*Equity-Linked Notes*), where "Combination of Structures (Interest)" and/or "Combination of Structures (Redemption)" is specified as applicable in the Applicable Transaction Terms.

**"Exchange Business Day (Per Index/Reference Asset Basis)"** means any Scheduled Trading Day on which: (a) in the case of any Composite Index (i) the Index Sponsor calculates and publishes the level of such Composite Index; and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of such Composite Index or a Reference Asset is open for trading during its regular trading session, notwithstanding such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time; and (b) for any other Index, the Relevant Exchange and each Options or Futures Exchange (if any) in respect of such Index or a Reference Asset is open for trading during its regular trading session, notwithstanding any such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time.

**"Exchange Business Day (Single Index/Reference Asset Basis)"** means any Scheduled Trading Day on which (a) in respect of a Non-Composite Index, the Relevant Exchange and each relevant Options or Futures Exchange (if any) in respect of such Index or a Reference Asset is open for trading during its regular trading session, notwithstanding any such Relevant Exchange or relevant Options or Futures Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index (i) the relevant Index Sponsor calculates and publishes the level of such Composite Index and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of such Composite Index or a Reference Asset, is open for trading during its regular trading session notwithstanding such Relevant Exchange or Options or Futures Exchange closing prior to its Scheduled Closing Time.

**"Exchange Disruption"** means, with respect to:

- (a) in the case of any Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for, (A) any Component Security on the Relevant Exchange in respect of such Component Security; or (B) in futures or options contracts relating to such Index on the Options or Futures Exchange; or
- (b) in the case of any Non-Composite Index or a Reference Asset, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for ETF Shares on the Relevant Exchange (or in the case of an Index, on any Relevant Exchange(s) relating to Component Securities that comprise 20 per cent. or more of the level of the relevant Index, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index or ETF Shares (as the case may be) on any relevant Options or Futures Exchange.

**"Exchange Traded Fund"** means each fund that is specified in the Applicable Transaction Terms as an ETF and comprising a Reference Asset.

**"Extraordinary Dividend"** means an amount per ETF Share specified in the Applicable Transaction Terms. If no Extraordinary Dividend is specified in the Applicable Transaction Terms, the characterisation of a dividend or portion thereof as an Extraordinary Dividend shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

**"Fund Documents"** means, in respect of a Reference Asset, the constitutive and governing documents of that Reference Asset, the prospectus or offering document relating to the Reference Asset and the relevant ETF Shares, and any subscription or other agreements of the Reference Asset specifying the terms and conditions relating to the Reference Asset, each as amended from time to time.

**"Fund Service Provider"** means, in respect of a ETF, any person or entity from time to time appointed to provide services, directly or indirectly, in respect of such Exchange Traded Fund, as investment advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, trustee, registrar, domiciliary agent, sponsor, general partner or transfer agent in respect of that ETF.

**"Hedging Disruption"** means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge any relevant price risk, including but not limited to the currency risk, of the Issuer (or Haitong Bank under the Keep Well Agreement (as appropriate)) issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by Calculation Agent.

**"Hedging Party"** means, at any relevant time, the Issuer or any Affiliate(s) or any entity (or entities) providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

**"Hedging Shares"** means the number of Component Securities comprised in an Index that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes.

**"Increased Costs of Hedging"** means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer (or Haitong Bank under the Keep Well Agreement, as appropriate) issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

**"Increased Cost of Stock Borrow"** means that the Hedging Party would incur a rate to borrow any Component Security comprised in an Index that is greater than the Initial Stock Loan Rate.

**"Index"** and **"Indices"** mean, subject to adjustment in accordance with this Annex, the equity index or equity indices in relation to Index-Linked Notes so specified in the Applicable Transaction Terms and related expressions shall be construed accordingly.

**"Index/Reference Asset Level"** means, in respect of an Index or Reference Asset, the Initial Price, Closing Price or Final Price of such Index or Reference Asset, as set out in the Applicable Transaction Terms provided: (a) in respect of any ETF Shares for which the Relevant Exchange is an auction or "open outcry" exchange that has a price as of the Relevant Time at which any trade can be submitted for execution, the relevant level shall be the price per ETF Shares as of the Relevant Time on the relevant day, as reported in the official real time price dissemination mechanism for such Relevant Exchange; and (b) in respect of any ETF Shares for which the Relevant Exchange is a dealer exchange or dealer quotation system, the relevant level shall be the midpoint of the highest bid and lowest ask prices quoted as of the Valuation Time on the relevant day (or the last such prices quoted immediately before the Relevant Time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system.

**"Index Sponsor"** means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis, which as of the Issue Date of the Notes is the index sponsor specified for such Index in the Applicable Transaction Terms.

**"Initial Stock Loan Rate"** means, in respect of the relevant Component Security, the rate which the Hedging Party would have incurred to borrow such Component Security on any Relevant Market as of the Issue Date, as determined by the Calculation Agent.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the ETF (i) all the ETF Shares of that ETF are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the ETF Shares of that ETF become legally prohibited from transferring them.

**"Local Taxes"** shall mean taxes, duties and similar charges imposed by the taking authority of the country in which the relevant ETF has been incorporated or in which the Relevant Exchange is located.

**"Loss of Stock Borrow"** means that the Hedging Party is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any ETF Shares or Component Securities comprised in an Index in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

**"Maximum Stock Loan Rate"** means, unless otherwise specified in the Applicable Transaction Terms, and in respect of the relevant Component Security, the lowest rate which the Hedging Party, after using commercially reasonable efforts, would have incurred to borrow such Component Security in the Relevant Market, in an amount equal to the Hedging Shares, as of the Issue Date, as determined by the Calculation Agent.

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

**"Merger Event"** means, in respect of any relevant ETF Shares, any (i) reclassification or change of such ETF Shares that results in a transfer of or an irrevocable commitment to transfer all of such ETF Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Reference Asset with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Reference Asset is the continuing entity and which does not result in a reclassification or change of all of such ETF Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETF Shares of the Reference Asset that results in a transfer of or an irrevocable commitment to transfer all such ETF Shares (other than such ETF Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the ETF or its sub-funds with or into another entity in which the Reference Asset is the continuing entity and which does not result in a reclassification or change of all such ETF Shares outstanding but results in the outstanding ETF Shares (other than ETF Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETF Shares immediately following such event, in each case if the Merger Date is on or before (1) in the case of Cash Settled Notes, the last occurring Valuation Date or (2) in the case of Physical Delivery Notes, the relevant Maturity Date.

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

**"Non-Composite Index"** means an Index that is not a Composite Index (together **"Non-Composite Indices"**).

**"Offshore Investor"** shall mean a holder of ETF Shares who is an institutional investor not resident in the country in which the relevant ETF has been incorporated or in which the Relevant Exchange is located (the **"Local Jurisdiction"**), for the purposes of the tax laws and regulations of the Local Jurisdiction and, for the avoidance of doubt, whose jurisdiction of residence (i) shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner and (ii) may be the jurisdiction of a Hedging Party.

**"Related Index"** means, in respect of a Reference Asset, the underlying index to which the Reference Asset relates.

**"Relevant Market"** means, for the purpose of determining any value or other amount pursuant to this Annex, any relevant quotation system, exchange, dealing system, screen page, over-the-counter derivatives or other market which the Calculation Agent determines appropriate for such purpose and which it may select taking into account hedging arrangements of the Issuer and/or its Affiliates for the Notes.

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

**"Scheduled Opening Time"** means, in respect of a Relevant Exchange or Options or Futures Exchange and a Scheduled Trading Day, the scheduled weekday opening time of such Relevant Exchange or Options or Futures Exchange on such Scheduled Trading Day, without regard to any pre-opening or any other trading outside of the regular trading session hours.

**"Scheduled Trading Day"** means (a) in the case of a single Index or Reference Asset, Scheduled Trading Day (Single Index/Reference Asset Basis) or (b) in the case of a basket of Indices or Reference Assets or assets, (i) Scheduled Trading Day (All Indices/Reference Assets Basis) or (ii) Scheduled Trading Day (Per Index/Reference Asset Basis) or (iii) Scheduled Trading Day (Combination Structures Basis), in each case as specified in the Applicable Transaction Terms, provided that if, in the case of (b), no such specification is made in the Applicable Transaction Terms, Scheduled Trading Day (All Indices/Reference Assets Basis) shall apply.

**"Scheduled Trading Day (All Indices/Reference Assets Basis)"** means, in respect of a basket of Indices or Reference Assets or assets any day on which (a) in respect of any Non-Composite Indices, each Relevant Exchange and each Options or Futures Exchange (if any) in respect of each Index or Reference Asset in the basket is scheduled to be open for trading for its regular trading session, and (b) in respect of any Composite Indices, (i) the relevant Index Sponsor is scheduled to calculate and publish the levels of each Composite Index in the basket and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of such Composite Indices or a Reference Asset is scheduled to be open for trading during its regular trading session.

**"Scheduled Trading Day (Combination Structures Basis)"** means, in respect of a basket of assets, any day on which (a) in respect of any Non-Composite Indices, each Relevant Exchange and each Options or Futures Exchange (if any) in respect of each Index or Reference Asset in the basket is scheduled to be open for trading for its regular trading session, and (b) in respect of any Composite Indices, (i) the relevant Index Sponsor is scheduled to calculate and publish the levels of each Composite Index in the basket and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of such Composite Indices or a Reference Asset is scheduled to be open for trading during its regular trading session which in each case is also a Scheduled Trading Day under and as defined in Annex 4 (*Additional Conditions for Equity-Linked Notes*), where "Combination of Structures (Interest)" and/or "Combination of Structures (Redemption)" is specified as applicable in the Applicable Transaction Terms.

**"Scheduled Trading Day (Per Index/Reference Asset Basis)"** means (a) in respect of a Non-Composite Index, any day on which the Relevant Exchange and each Options or Futures Exchange (if any) in respect of such Index or a Reference Asset is scheduled to be open for trading for its regular trading session, and (b) in respect of any Composite Index, any day on which (i) the Index Sponsor is scheduled to calculate and publish the level of such Composite Index; and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of such Composite Index or a Reference Asset is scheduled to be open for trading for its regular trading session.

**"Scheduled Trading Day (Single Index/Reference Asset Basis)"** means any day on which (a) in respect of an Index other than a Composite Index, the Relevant Exchange and each Options or Futures Exchange (if any) is scheduled to be open for trading during its regular trading session, and (b) in respect of a Composite Index (i) the relevant Index Sponsor is scheduled to calculate and publish the level of such Composite Index and (ii) each Relevant Exchange (in respect only of a Reference Asset) and each Options or Futures Exchange (if any) in respect of such Composite Index or a Reference Asset is scheduled to be open for trading during its regular trading session.

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

**"Settlement Cycle"** means, in respect of any Index or Reference Asset, the period of Clearance System Business Days following a trade in the securities underlying such Index or the Reference Asset on the Relevant Exchange in which settlement will customarily occur according to the rules of such Relevant Exchange (or, if there are multiple Relevant Exchanges in respect of an Index, the longest such period).

**"Specified Maximum Days of Disruption"** means the lesser of (a) the number of Scheduled Trading Days specified as such in the Applicable Transaction Terms and (b) such number of Scheduled Trading Days in the period from (but excluding) the Scheduled Valuation Date to (but excluding) the third (3rd) Business Day prior to any due date or scheduled date for any payment under the Notes for which valuation on the relevant Valuation Date is relevant, all as determined by the Calculation Agent.

**"Tender Offer"** means, in respect of any ETF Shares, as determined by the Calculation Agent, acting in a commercially reasonable manner, 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 per cent. and less than 100 per cent. of the outstanding voting shares of the Reference Asset, 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.

**"Trading Disruption"** means:

- (a) in the case of a Composite Index, any suspension of or limitation imposed on trading by the Relevant Exchange or Options or Futures Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange or Options or Futures Exchange or otherwise: (i) relating to any Component Security on the Relevant Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on the Options or Futures Exchange; and
- (b) in the case of a Non-Composite Index or ETF Shares, any suspension of or limitation imposed on trading by the Relevant Exchange or Options or Futures Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange or Options or Futures Exchange or otherwise (a) relating to the ETF Shares or the Component Securities that comprise 20.00 per cent. or more of the level of such Index on any Relevant Exchange(s) or (b) in futures or options contracts relating to such Index or ETF Shares on any relevant Options or Futures Exchange.

**"Valuation Date"** means the date specified as such in the Applicable Transaction Terms and otherwise in accordance with the above provisions or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) in the case of Notes relating to a single Index or ETF, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Index/Reference Asset Level by determining the level or price of the Index or ETF Share as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index or ETF Share last in effect prior to the occurrence of the first Disrupted Day using the Relevant Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security or asset comprised in the Index or ETF, as applicable (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or asset or ETF, as applicable, on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security or asset or ETF, as applicable, as of the Valuation Time on that eighth Scheduled Trading Day); or
- (b) in the case of Notes relating to a basket of assets, the Valuation Date for each Index or ETF, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and

the Valuation Date for each Index or ETF, affected (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Index/ Reference Asset Level using, in relation to the Affected Item, the level or price of that Index or ETF Share as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index or ETF Share last in effect prior to the occurrence of the first Disrupted Day using the Relevant Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security or asset comprised in that Index or Relevant Asset, as applicable (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security or asset or Relevant Asset, as applicable, on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security or asset or Relevant Asset, as applicable, as of the Valuation Time on that eighth Scheduled Trading Day).

**"Valuation Time"** means the valuation time specified in the Applicable Transaction Terms or if not so specified:

- (a) in the case of a Composite Index, in respect of such Index: (i) for the purposes of determining whether a Market Disruption Event has occurred: (A) in respect of any Component Security, for the purposes of determining an Initial Price the Scheduled Opening Time or, for the purposes of determining a Final Price, the Scheduled Closing Time on the Relevant Exchange in respect of such Component Security, and (B) in respect of any options contracts or futures contracts on the Index, for purposes of determining an Initial Price, the open of trading or, for purposes of determining a Final Price, the close of trading on the Relevant Exchange; and (ii) in all other circumstances, the time at which the relevant Index/Reference Asset Level is calculated and published by the Index Sponsor or quoted on the Relevant Exchange; and
- (b) in the case of any Non-Composite Index or a Reference Asset, (i) for the purposes of determining an Initial Price, the Scheduled Opening Time or, for the purposes of determining a Final Price, the Scheduled Closing Time on the Relevant Exchange on the relevant date. If the Relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time and (ii) in all other circumstances, the time at which the relevant Index/Reference Asset Level is calculated and published by the Index Sponsor or quoted on the Relevant Exchange.

## ANNEX 6: PHYSICAL SETTLEMENT CONDITIONS

The provisions below shall apply to all Credit-Linked Notes for which the applicable Redemption Basis is "Physically Settled CLN", and to all Equity-Linked Notes to which "Physical Delivery Note" is specified as being applicable in the Applicable Transaction Terms.

### 1. Physical delivery

#### (a) *Asset Transfer Notices*

In order to obtain delivery of the Asset Amount(s) in respect of any Note:

- (X) if such Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Principal Paying Agent and Calculation Agent not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in the form available from the Agent; and
- (Y) if such Note is in definitive form, the relevant Noteholder must deliver (i) if this Note is a Bearer Note, to any Paying Agent or (ii) if this Note is a Registered Certificate, to the Registrar or any Paying Agent, in each case, with a copy to the Principal Paying Agent and Calculation Agent not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in the form available from the Agent.

Where the Notes are Credit-Linked Notes, the Noteholder must (unless the requirement for each Noteholder to deliver an Asset Transfer Notice is waived by the Issuer in its sole and absolute discretion) deliver a duly completed Asset Transfer Notice in accordance with paragraph (X) or (Y) above (as applicable), following receipt of a Notice of Physical Settlement.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of the Registrar or any Paying Agent.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, or (ii) if such Note is in definitive form, in writing.

If this Note is in definitive form, this Note must be delivered together with the duly completed Asset Transfer Notice.

The Asset Transfer Notice shall:

- (i) specify the name, address and contact telephone number of the relevant Noteholder and the person from whom the Issuer may obtain details for the delivery of the Asset Amount;
- (ii) specify the series number of the Notes and the number of Notes which are the subject of such notice;
- (iii) in the case of Notes represented by a Global Note, specify the nominal amount or, in case of Notes issued in units, number of Notes which are the subject of such notice and the number of the Noteholder's account at Euroclear or Clearstream, Luxembourg as the case may be to be debited with such Notes and irrevocably instruct and authorise the relevant Clearance System to debit the relevant Noteholder's account with such Notes on or before the Delivery Date;
- (iv) include an undertaking to pay all Delivery Expenses (as defined below) and, in the case of Notes represented by a Global Note, an authority to Euroclear or Clearstream, Luxembourg, as the case may, be to debit a specified account of the Noteholder with

Euroclear or Clearstream, Luxembourg, as the case may be, in respect thereof and to pay such Delivery Expenses;

- (v) include such details as are required for delivery of the Asset Amount which may include account details and/or the name and address of any person(s) into whose name evidence of the Asset Amount is to be registered and/or any bank, broker or agent to whom documents evidencing the Asset Amount are to be delivered and specify the name and number of the Noteholder's account to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Asset Amount or any dividends relating to the Asset Amount or as a result of the occurrence of a Settlement Disruption Event and the Issuer electing to pay the Disruption Cash Redemption Amount;
- (vi) certify that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof;
- (vii) authorise the production of such certification in any applicable administrative or legal proceedings.

(b) ***Verification of the Noteholder***

In the case of Notes represented by a Global Note, upon receipt of an Asset Transfer Notice, Euroclear or Clearstream, Luxembourg as the case may be shall verify that the person delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, Euroclear or Clearstream, Luxembourg as the case may be will confirm to the Principal Paying Agent the series number and number of Notes which are the subject of such notice, the relevant account details and the details for the delivery of the Asset Amount of each Note. Upon receipt of such confirmation, the Principal Paying Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Delivery Date debit the securities account of the relevant Noteholder with the relevant Notes.

(c) ***Determinations and Delivery Expenses***

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made, in the case of Notes represented by a Global Note, by Euroclear or Clearstream, Luxembourg, as the case may be or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, in each case in consultation with the Principal Paying Agent, and shall be conclusive and binding on the Issuer, the Principal Paying Agent(s) and the relevant Noteholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Paying Agent immediately after being delivered or sent as provided in paragraph (b) of this Annex 6 above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, in the case of Notes represented by a Global Note, Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, in each case in consultation with the Principal Paying Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearance System, the Registrar or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

All costs, 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 costs, duties or taxes which the Calculation Agent determines may be or would be, or would have been incurred (i) in connection with the redemption of the Notes and/or the delivery of the Asset Amount in respect of such Notes and (ii) by the Issuer or any Affiliate had such entity unwound or varied any underlying related hedging arrangements in respect of the Note ("**Delivery Expenses**") shall be for the account of the relevant Noteholder and no Asset Amount will be deliverable until the relevant Delivery Expenses have been met or otherwise accounted for to the satisfaction of the Issuer.

(d) **Delivery**

(1) Subject to:

- (A) an Asset Transfer Notice having been duly delivered as provided above on or prior to the Cut-Off Date; and
- (B) all Delivery Expenses having been paid or otherwise accounted for to the satisfaction of the Issuer by the relevant Noteholder,

the Issuer shall, at the risk of the relevant Noteholder, deliver or procure the delivery of the Asset Amount for each Note, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person(s) designated by the Noteholder in the relevant Asset Transfer Notice, on the date fixed for redemption (such date, subject to adjustment in accordance with this paragraph, the "**Delivery Date**"). Where the Asset Transfer Notice stipulates that the Asset Amount should be delivered to a specified clearing system, the Issuer's or Haitong Bank's obligation under the Keep Well Agreement to deliver such Asset Amount will be discharged by delivery to, or to the order of, the relevant clearing system and each of the persons shown in the records of the relevant clearing system as the account holder must look solely to the relevant clearing system for his share of any Asset Amount so delivered.

(2) If a Noteholder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Paying Agent, on or prior to the Cut-Off Date, then:

- (A) the Issuer may elect, in its sole discretion to deliver or procure the delivery of the aggregate Asset Amounts for all such affected Notes, at the risk of the relevant Noteholder, to, or to the order of, the relevant Clearance System(s) in which the Notes are held (and this may be after the date fixed for redemption) and its obligation to deliver any such Asset Amount so delivered shall be discharged thereby; or
- (B) the Asset Amount will be delivered as soon as practicable after the date fixed for redemption (in which case, such date of delivery shall be the Delivery Date) at the risk of such Noteholder in the manner provided in paragraph (a) above. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Delivery Date falling after the date fixed for redemption and no liability in respect thereof shall attach to the Issuer.

(3) If the Issuer has, acting in its sole and absolute discretion, waived the requirement for each Noteholder to deliver an Asset Transfer Notice, the Issuer shall deliver or procure the delivery of the aggregate Asset Amounts for all the Notes, at the risk of the Noteholders, to, or to the order of, the relevant Clearance System(s) in which the Notes are held (and this may be after the date fixed for redemption) and its obligation to deliver any such Asset Amount so delivered shall be discharged thereby.

(4) In the case of delivery of any Asset Amount(s) to, or to the order of, the relevant Clearance System(s) in accordance with paragraphs (d)(2)(a) or (d)(3) above, each of

the persons shown in the records of the relevant Clearance System as the holder of a particular amount of the Notes must look solely to the relevant Clearance System for his share of each such Asset Amount so delivered to, or to the order of, such Clearance System. For the purposes of paragraph (e) of this Annex 6 below, each Clearance System will be deemed to be a single Noteholder and each Clearance System will be requested to divide and deliver such Asset Amounts in accordance with its rules.

- (5) To the extent that the Issuer is not satisfied that the Delivery Expenses have been or will be paid in full by the relevant Noteholder on or prior to the relevant Delivery Date, the Issuer may, in its sole discretion, elect to reduce the Asset Amount(s) to be delivered by an amount(s) which by market value (determined at the time of reduction by reference to such valuation sources as the Issuer determines appropriate) in aggregate is at least equal to the aggregate Delivery Expenses that it determines, in its sole discretion, have not been paid or otherwise accounted for (the Asset Amount as so reduced, the "**Reduced Asset Amount**"). Where the Issuer elects to make such a reduction, in accordance with this paragraph 1(A)(e)(c) of this Annex 6, the Issuer's obligation to deliver the Asset Amount(s) shall be discharged in full by delivery of the Reduced Asset Amount in accordance with the provisions of this paragraph 1(A)(e) of this Annex 6. The provisions of paragraphs (e) and (f) of this paragraph 1(A) of this Annex 6 and the provisions of paragraph 1(B) of this Annex 6 shall apply mutatis mutandis to any such delivery of the Reduced Asset Amount.

(e) **General**

For the purpose of determining the Asset Amounts in respect of the Notes, Notes held by the same Noteholder will be aggregated (provided that, where an Asset Transfer Notice delivered by a Noteholder specifies that the Asset Amounts in respect of the Notes of such Noteholder should be delivered to more than one specified account, the entitlement in respect of each such account specified by such Noteholder shall be aggregated). The aggregate Asset Amount(s) to be delivered in respect of each such aggregated holding will be rounded down to the nearest whole unit of the Relevant Asset (or, where there is more than one type of Relevant Asset, each of the Relevant Assets), as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered but in lieu thereof the Issuer shall pay to the Noteholders in respect of their respective holding an additional amount in the Specified Currency equal to the fair market value of such fraction(s) in such manner as shall be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner and notified to Noteholders in accordance with Condition 15 (*Notices*).

Following the Delivery Date of a Reference Asset comprising a Share and/or a ETF Share all dividends on the relevant Reference Assets to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Reference Assets executed on the Delivery Date and to be delivered in the same manner as such relevant Reference Assets. Any such dividends to be paid to a Noteholder will be paid to the account specified by the Noteholder in the relevant Asset Transfer Notice as referred to in paragraph 1(A)(b) of this Annex 6 or otherwise paid to the relevant Clearance System for the account of Noteholders.

For such period of time after delivery of the Asset Amount as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities comprising the Asset Amount (the "**Intervening Period**"), none of the Issuer, the Paying Agents, the Registrar or any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Noteholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities or obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities or obligations or (iii) be under any liability to a Noteholder in respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening

Period as legal owner of such securities or obligations comprised in such Asset Amount or otherwise as specified in the Applicable Transaction Terms.

(f) ***Settlement Disruption***

If, in the opinion of the Calculation Agent, delivery of the Asset Amount using the method of delivery specified in the Applicable Transaction Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on the Delivery Date, then the Delivery Date shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event unless there is a Settlement Disruption Event on each of the ten (10) Settlement Business Days immediately following the original date that, but for such Settlement Disruption Event, would have been a valid Delivery Date. In that case, (a) if the Asset Amount can be delivered in any other commercially reasonable manner, as determined by the Calculation Agent, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering the Asset Amount using such other commercially reasonable manner as it may select and in such event the Delivery Date shall be the first day on which settlement of a sale of Relevant Assets comprising the Asset Amount executed on that tenth (10) Clearance System Business Day would customarily take place using such other commercially reasonable manner, and (b) if the Relevant Assets comprising the Asset Amount cannot be delivered in any other commercially reasonable manner, then the Delivery Date will be postponed until delivery can be effected in the manner contemplated in the Asset Transfer Notice or in any other commercially reasonable manner, as determined by the Calculation Agent. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Asset Amount, the Delivery Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Delivery Date. For so long as delivery of the Asset Amount is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Disruption Cash Redemption Amount (as defined below) on the fifth (5th) Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 15 (*Notices*). Payment of the Disruption Cash Redemption Amount will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 15 (*Notices*) that a Settlement Disruption Event has occurred. No Noteholder shall be entitled to any payment in respect of the relevant Note in the event of any delay in the delivery of the Asset Amount due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

2. **Definitions specific to Physical Delivery**

"**Agency Agreement**" has the meaning given in the Conditions.

"**Asset Amount**" has the meaning specified in the Applicable Transaction Terms, save in the case of any Credit-Linked Note for which the applicable Redemption Basis is "Physically Settled CLN", in respect of which "Asset Amount" has the meaning given to it in Condition 7(1)(lviii).

"**Asset Transfer Notice**" shall mean the notice in the form available from the Agent.

"**Cut-Off Date**" has the meaning specified in the Applicable Transaction Terms.

"**Disruption Cash Redemption Amount**", in respect of any relevant Note, shall be the Market Value of such Note expressed in the Specified Currency (taking into account any relevant currency exchange rate and, where the Settlement Disruption Event affected some but not all of the Shares comprising the Asset Amount and such non affected Shares have been duly delivered as provided above, the value of such Shares), all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

**"Force Majeure Event"** means an event or circumstance which prevents in whole or in part the performance by the Issuer, or by the Calculation Agent on behalf of the Issuer, of its obligations under this Annex 6 including, without limitation, a systemic failure, fire, natural or man-made disaster, act of God, act of State, armed conflict, act of terrorism, riot or labour disruption.

**"Settlement Business Day"** has the meaning specified in the Applicable Transaction Terms.

**"Settlement Disruption Event"** means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer as a result of which the Issuer cannot make delivery of the Asset Amount(s) using the method specified in the Applicable Transaction Terms which shall include without limitation a Force Majeure Event or where physical settlement is illegal, impossible or impractical or where the specified denomination of the Asset Amount(s) are not identical to the Specified Denomination of the Notes.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Relevant Issuer in the ordinary course of its business which includes making a profit. If, in respect of any particular issue there is a particular identified use of proceeds, this will be stated in the Applicable Transaction Terms.

## DESCRIPTION OF HIIP

### Overview

HIIP was incorporated under the Irish Companies Acts, 1963 to 1990 (the “**Companies Acts**”) on 22 August 1996 as a private limited liability company under the name Essi Ireland Limited. It was re-registered as a public limited company (having limited liability) on 9 October 1998 and changed its name to Espírito Santo Investment p.l.c. with effect from 9 October 1998. The Companies Act 2014 (the “**Companies Act**”) was introduced on 1 June 2015 and it replaced the Companies Acts 1963-2013. The Companies Act consolidates the existing Irish Companies Acts and many of the related statutory instruments into a single statute while simultaneously introducing significant reforms to Irish company law.

On 8 December 2014, Novo Banco S.A. (“**Novo Banco**”) (the former shareholder of Haitong Bank (at that time known as BESI)) announced that it had entered into a sale and purchase agreement in respect of the whole share capital of BESI with Haitong International Holdings Limited (“**Haitong**”), a private company incorporated in Hong Kong and a direct wholly owned subsidiary of Haitong Securities Co., Ltd. (“**Haitong Securities**”) (a company incorporated in People’s Republic of China (“**PRC**”) and whose shares are listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited).

On 7 September 2015 the sale of BESI was completed and Haitong became a direct shareholder of BESI and an indirect shareholder of Espírito Santo Investment p.l.c.. Following the acquisition, on 8 September 2015, BESI’s name was formally changed to Haitong Bank, S.A and on 7 September 2015 ESIP’s name was formally changed to Haitong Investment Ireland p.l.c..

HIIP is 100 per cent. owned by Haitong Bank. As at the date of this Offering Circular, Haitong Bank is 100 per cent. owned by Haitong, with the exception of four shares. Each of the remaining four shares is owned by one of the following entities: Haitong International Global Strategic Investment Limited (incorporated in Cayman Islands), Haitong Capital International Investment Co., Ltd. (incorporated in Hong Kong), Haitong Innovation International Capital Management Co., Ltd. (incorporated In Cayman Islands) (GP) and Haitong ALIC Innovation Growth PE Fund I (incorporated in Cayman Islands) (LLP).

HIIP’s registered office is at Riverside One, Sir John Rogerson’s Quay, Dublin 2 and its business address is at Fourth Floor, Spencer House, 71-73 Talbot Street, Dublin 1, Ireland, telephone number +353 18 56 06 99. Its registered number is 253333. HIIP complies with the current corporate governance regime of Ireland.

HIIP has an authorised share capital of € 375,000,000 (corresponding to a total of 75,000,000 shares at € 5 each) of which € 825,000 (corresponding to 165,000 shares at € 5 each) are fully paid.

The Audited Financial Information of HIIP for the period ended 31 December 2015 reported a net loss of € 4.86 million, compared to a net loss of € 17.81 million for the corresponding period in the previous year. The losses incurred by HIIP on 31 December 2015 were mainly driven by impairment losses.

### Business and Operations

HIIP has no subsidiaries. HIIP’s objects empower it to conduct a wide range of financial activities. HIIP’s principal objects are set forth in clause 3 of its Memorandum of Association. HIIP was granted a certificate by the Minister for Finance of Ireland under section 446 of the Taxes Consolidation Act, 1997 in respect of certain specified relevant trading operations carried on by it in Dublin’s International Financial Services Centre. This certificate expired on 31 December 2005. Income generated by HIIP from trading operations qualifies for a rate of corporation tax of 12.5 per cent. since 1 January 2006.

HIIP’s primary activities are the granting of credit facilities to corporate entities, the trading of securities for its own account and the entering into derivative transactions to hedge the risks derived from the preceding activities. HIIP does not perform advisory services, does not act in primary markets and does not perform any distribution of securities.

## Directors

The Directors of HIIP and their principal activities are as follows:

<i>Name</i>	<i>Position with HIIP</i>	<i>Other Principal Activity</i>
Tom Murray	Director	Professional Independent Non-Executive Director
Mo Yiu Poon, who also uses and signs as Patrick Poon <sup>1</sup>	Director	Member of the Board of Directors and Executive Board Member of Haitong Bank
Carlos Nogueira	Director	Senior Managing Director and Head of Treasury of Haitong Bank
Peter Murphy	Director	General Manager of HIIP

<sup>1</sup> The commencement of Mr. Patrick Poon's functions as director is currently subject to the Bank of Portugal non-opposition.

The business address of Tom Murray is 2, The View, Robswall, Malahide, County Dublin, Ireland.

The business address of Peter Murphy is Fourth Floor, Spencer House, Spencer Row, Off Store Street, Dublin 1 | D01 R9T8 Dublin, Ireland.

The business address of Carlos Nogueira and Mo Yiu Poon is at the offices of Haitong Bank S.A., Edificio Quartzo, Rua Alexandre Herculano, 38, 1269-180, Lisbon, Portugal.

HIIP is not aware of any potential conflict of interest between the duties of each of the members of its Board of Directors and their private interests or other duties.

## DESCRIPTION OF HAITONG BANK

### Overview

Haitong Bank is an investment bank headquartered in Portugal, Rua Alexandre Herculano, no. 38, 1269-180, in Lisbon. Haitong Bank is a credit institution authorised by the Portuguese authorities, central banks and other regulatory authorities, to operate in Portugal and in the countries where its international branches are located. Furthermore Haitong Bank may engage in Banking and Financial Intermediation Activities, in a number of European Union countries, under BCD and MIFID Passport Permissions, on a free provision of services basis. It is registered with the Commercial Registry Office of Lisbon under number 501.385.932 and its office telephone number is +351 21 319 69 00. Haitong Bank's principal object is set forth in clause 2 of its Memorandum of Association, which includes conducting banking activities and all transactions which banks are permitted to carry out in accordance with the law.

The company was established on 28 February 1983 as a foreign investment in Portugal under the name FINC – Sociedade Portuguesa Promotora de Investimentos, S.A.R.L.. During 1986 the company was integrated into the Espírito Santo Group under the designation of Espírito Santo – Sociedade de Investimentos, S.A..

In order to enlarge the scope of its business, the company obtained permission from the Portuguese authorities to operate as an investment bank. This involved the publication of Order-in-Council no. 366/92, 23 November, published in the Diário da República – Series II – no. 279, 3 December. The activity as an investment bank started under the name Banco ESSI, S.A., on 1 April 1993.

On 1 July 1998, the company changed its name to Banco Espírito Santo de Investimento, S.A..

On 3 August 2014, the Bank of Portugal applied a resolution measure to Banco Espírito Santo, S.A., BESI's former sole shareholder, under the legal framework for the adoption of resolution measures established by RGICSF. Under such resolution measure, the Bank of Portugal transferred most of BES' business, including assets, liabilities, off-balance sheet items and assets under management to a bridge bank, designated Novo Banco, S.A., specifically set up for this purpose, which transfer included BESI. As a result, Novo Banco, S.A. became the sole shareholder of BESI.

On 8 December 2014, Novo Banco, S.A. announced that it had entered into a sale and purchase agreement in respect of the whole share capital of BESI with Haitong International Holdings Limited (“**Haitong**”), a direct wholly owned subsidiary of Haitong Securities Co. Ltd. On 7 September 2015 the sale of BESI was completed and Haitong became a direct shareholder of BESI (and an indirect shareholder of ESIP). Following the acquisition by Haitong, on 7 September 2015 BESI's name was formally changed to Haitong Bank, S.A.. Haitong is admitted to trading in the Shanghai stock exchange and in the Hong Kong stock exchange.

As at the date of this Offering Circular, Haitong Bank is 100 per cent. owned by Haitong less four shares. Each of the remaining four shares is owned by one of the following entities: Haitong International Global Strategic Investment Limited (incorporated in Cayman Islands), Haitong Capital International Investment Co., Ltd. (incorporated in Hong Kong), Haitong Innovation International Capital Management Co., Ltd. (incorporated in Cayman Islands) (GP) and Haitong ALIC Innovation Growth PE Fund I (incorporated in Cayman Islands) (LLP).

Haitong Bank is an authorised credit institution in Portugal, hence subject to strict EU and Portuguese regulations on conflicts of interest and permitted (and restricted) dealings with shareholders, as well as independence and appropriateness of its Management and Supervisory Bodies. For further information please refer to the paragraph headed “*Specific risks related to Haitong Bank's market*” in the “*Risk Factors*” section of this Offering Circular.

The Audited Consolidated Financial Information of Haitong Bank for the period ended 31 December 2015 reported a loss of € 35.4 million, compared to a loss of € 138.49 million for the corresponding period in the previous year. The losses incurred by Haitong Bank on 31 December 2015 were mainly driven by impairment losses.

On 19 May 2016, Haitong Bank has issued € 80,000,000 Fixed Rate Perpetual Deeply Subordinated Additional Tier 1 Resettable Instruments (the “**AT1 Instruments**”), in accordance with the relevant CRD IV provision and the applicable Portuguese law provisions which implemented CRD IV. With the successful conclusion of the issue of these AT1 Instruments Haitong Bank is in full compliance with the CRD IV and the Bank of Portugal requirements.

## Overview of Haitong Group

The Haitong Group (the “Group”) is a leading full-service securities firm in the PRC with an integrated business platform, extensive branch network and substantial customer base. The Group has established prudent operating strategies and is the only major PRC securities firm founded in the 1980s that remains in operation under the same brand without receiving government-backed capital injections or being the target of a successful acquisition. Leveraging its integrated business platform, the Group provides a comprehensive range of financial products and services, and primarily focuses on six principal business lines in the PRC, comprising securities and futures brokerage (including margin financing and securities lending), investment banking, asset management, proprietary trading, direct investment and financial leasing. The Group has gained leading market positions across multiple business lines in the PRC securities industry, and it also provides a variety of securities products and services overseas. In addition, the Group has a long track record of brokerage operation across business cycles and enjoys a strong market position in China’s retail brokerage segment.

The Group is one of the largest securities firms in the PRC. As of 31 December 2015, it ranked second in terms of total assets and net assets among the PRC securities firms. As of 31 December 2015, the Group had 328 securities and futures brokerage branches and branch offices located across 30 provinces in the PRC, and operated branches and subsidiaries in 13 countries and regions including Hong Kong, Macau, Europe, North America, South America and South Asia. As of 31 December 2015, the Group had over 7.7 million retail brokerage customers and over 24,000 institutional and high net worth customers in the PRC. The A Shares of the Group have been listed on the Shanghai Stock Exchange with stock code 600837 since July 2007 and its H Shares have been listed on the Hong Kong Stock Exchange with stock code 6837 since April 2012. The Group was admitted to the CSI 300 Index in July 2007, the SSE 180 Index in December 2007, the SSE 50 Index and Hang Seng China H-Financials Index in September 2012, the Hang Seng Mainland 100 Index in September 2012, Morgan Stanley Capital International Index in November 2012 and Hang Seng China Enterprises Index in February 2013, respectively. In addition, its A Shares was selected as one of the constituent stocks of the SSE Corporate Governance Index in June 2008.

In addition to its PRC business operations, the Group is also actively developing its overseas business. The Group conducts its overseas business primarily through Haitong International Securities (listed on the Hong Kong Stock Exchange under stock code 665), a leading full-service securities firm in Hong Kong which provides securities and futures brokerage, corporate finance and advisory services, FICC services, asset management services and other securities products and services to a broad range of retail customers and institutional clients in Hong Kong and overseas. The Group has experienced rapid growth and achieved leading market positions in Developing New Businesses in the PRC securities industry. The Group is the first to conduct OTC business in the PRC securities market.

Established in 1988, Haitong Group has navigated through various market and business cycles, regulatory reforms and industry developments over its 27 years of operating history, including the Asian financial crisis in 1997 and the most recent global financial crisis in 2008. The Group has established prudent corporate governance, effective risk management and internal control systems to reduce its exposure to various risks in the securities markets. In recognition of its strong capital position, effective risk management and internal control systems, as well as its proven track record, the Group has received an “AA” regulatory rating, the highest rating given to a PRC securities firm to date, from the CSRC from 2008 to 2012 and from 2014 to 2015.

Leveraging its prudent operating strategies and proven execution capabilities, the Group has gained leading market positions in securities and futures brokerage, investment banking and other traditional businesses in the PRC, which have experienced steady growth in recent years.

The Haitong Group has also established leading market positions in the developing new businesses. The Group is frequently designated by the PRC regulatory authorities as one of the first PRC securities firms to participate in pilot programmes for new securities products and services such as stock pledge financing, stock repo trading and OTC products. Benefiting from its strong capital position, substantial customer base and proven execution capabilities, the Group has experienced rapid growth and achieved leading market positions in the developing new businesses in the PRC securities industry.

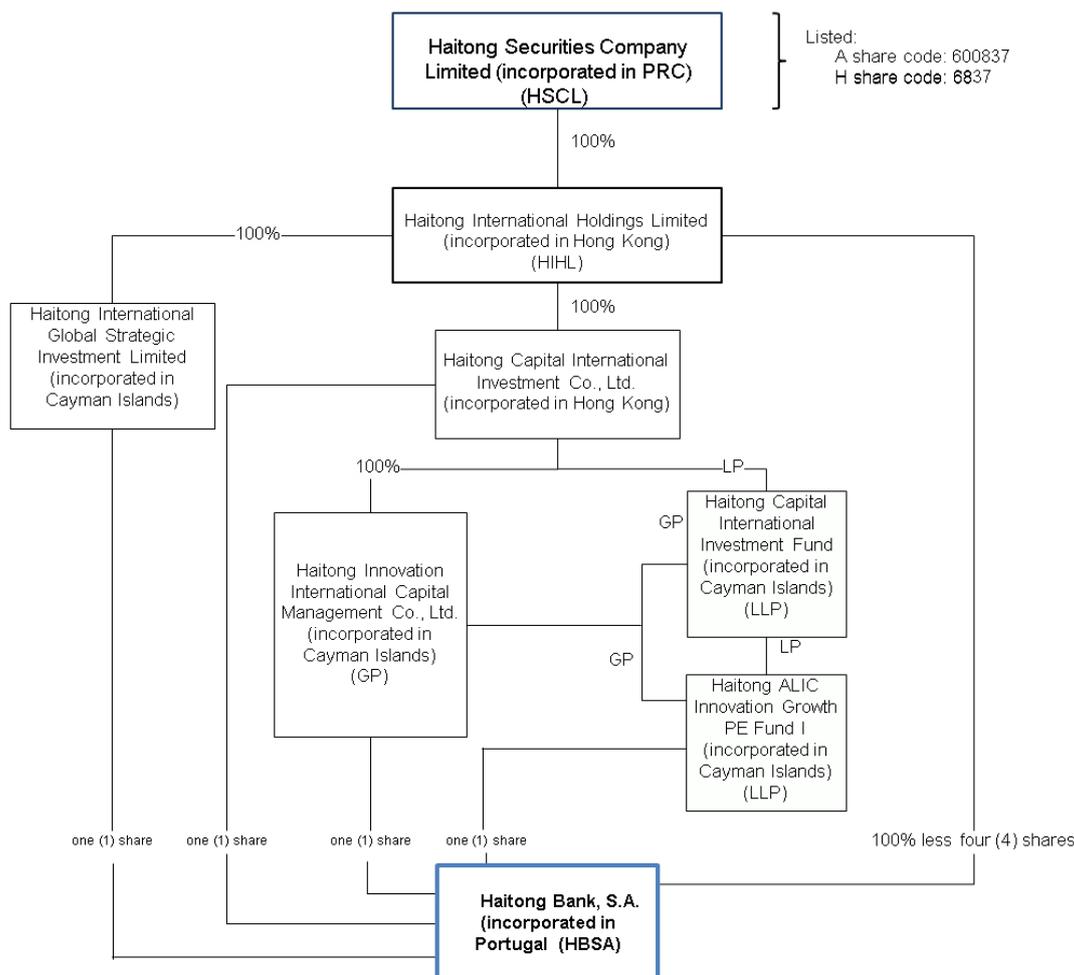
As of 31 December 2013, 2014 and 2015, the Group had total assets of RMB169,123.6 million, RMB352,622.1 million and RMB576,448.9 million, respectively, and total equity of RMB64,105.2 million, RMB72,264.2 million and RMB116,927.7 million, respectively. For the years ended 31 December 2013, 2014 and 2015, its total revenue and other income was RMB12,802.7 million, RMB23,666.9 million and RMB55,285.6 million,

respectively, and its profit was RMB4,281.0 million, RMB8,119.0 million and RMB16,841.3 million, respectively.

### Shareholding Structure of Haitong Bank

The following chart sets out the simplified shareholding structure of Haitong Bank as of 31 December 2015.

#### Haitong Bank, S.A. – Simplified Shareholder Structure



Please note that we have not included all of the Haitong group's subsidiaries

### Business and Operations

The acquisition by Haitong International Holdings Limited marked a new beginning for Haitong Bank, bringing together two institutions with the common ambition to become one of the world's leading investment banks within the next decade.

Haitong Bank currently operates through its headquarters in Lisbon, branches in Madrid, London, Warsaw and Cayman Islands (through a branch of Haitong Banco de Investimento do Brasil, S.A.), subsidiaries in Brazil, Ireland, United Kingdom, India and Mexico, and representative offices in Mexico and Germany. It is currently well positioned to capture cross-border flows between Asia, Europe, Latin America and Africa. The development of a distribution platform will enhance geographical complementarities and capital flows within these regions, firmly supporting the international expansion strategy of the Bank's new Shareholder.

Haitong Bank maintains its focus on growing the fee-generating activities and on the implementation of the new "Originate to Distribute" model, channelling most efforts into the expansion of its distribution capacity in the

world's most important financial markets (London and New York, where there is an ongoing process for the incorporation of a US registered broker dealer).

On 17 December 2015, Haitong Bank's controlling shareholder, Haitong International Holdings Limited, fully subscribed a capital increase of 20,000,000 shares with a € 5.00 nominal value each, which corresponded to an investment of € 100,000,000. As at 31 December 2015, Haitong Bank's share capital amounted to € 426,269,000, represented by 85,253,800 shares with a nominal value of € 5.00 each.

### **Main Subsidiaries**

Haitong Bank holds interests in subsidiaries which were acquired with a view to intervening in the relevant management, either to further connections between them or as a way to complement its own activity.

As at 31 December 2015 the main subsidiaries and controlling interests of Haitong Bank, other than HIIP, were the following:

– ***Haitong – Banco de Investimento do Brasil, S.A.*** (Brazil) (“**Haitong Brazil**”)

Formerly BES Investimento do Brasil, S.A., Haitong Brazil is controlled by Haitong Bank in 80 per cent. and by Banco Bradesco in 20 per cent.. It has a registered share capital of R\$420,000,000 and it holds 100% of the following subsidiaries: (i) Haitong Securities do Brasil, S.A. (Securities Brokerage); (ii) Haitong do Brasil Participações Ltda. (Asset Management); (iii) Haitong do Brasil DTVM, S.A. (Asset Management); (iv) FI Multimercado Treasury (Investment Fund).

Haitong Brazil provides financial advisory services in capital markets, mergers and acquisitions, structured operations, treasury and risk management. It also provides loans to support transactions connected to its activity, and, through Haitong Securities do Brasil, engages in securities brokerage.

– ***Haitong Capital – Sociedade de Capital de Risco, S.A.*** (Portugal) (“**Haitong Capital**”)

Formerly Espírito Santo Capital – Sociedade de Capital de Risco, S.A. (“ES Capital”) and registered in Portugal with a registered share capital of € 25,000,000, the company's purpose is the taking of non-strategic financial holdings in unlisted companies with a view to realising gains with the sale of such shareholdings.

Haitong Capital, incorporated in September 1988 under the denomination of SFIR – Sociedade de Financiamento e Investimento de Risco, S.A., by BES and its subsidiaries, coordinates all private equity business either investing group's funds or raising and managing funds of third parties. Haitong Capital is now 100 per cent. directly owned by Haitong Bank after the incorporation of ESSI, SGPS, S.A. in Haitong Bank (at that time known as BESI).

– ***Haitong (UK) Limited*** (UK) (“**Haitong UK**”)

In November 2010, BESI completed the acquisition of a 50.1 per cent. shareholding in Execution Noble (“**Execution Noble**”), an international investment banking group based in London. The acquisition was made by Espírito Santo Investment Holding Ltd and in May 2013 BESI became the sole (indirect) shareholder of Espírito Santo Investment Holding Ltd, renamed Haitong (UK) Limited following the acquisition by Haitong.

Haitong UK is a holding company and has its headquarters in London. Through its subsidiaries, in particular Haitong Securities (UK) Limited, it provides services to top tier investment institutions, including investment funds, pension funds, insurance companies and hedge funds, as well as to listed and unlisted companies, usually mid-cap companies with high growth potential. Benefiting from its technological strength and the quality of its staff, Haitong UK also provides access to leading suppliers of liquidity through capital raising transactions.

Haitong UK brings to Haitong Bank a distribution platform and a highly qualified team as well as the opportunity to operate in the London financial market, the main global Equities hub and the home of the Pan-European product. It also provides Haitong Bank with the potential to expand its international

distribution of financial products as well as its activities in the primary and secondary equity markets for the other regions including Iberia, Poland, Latin America and India.

– **Haitong Securities India Private Limited** (India)

Haitong Bank (at that time known as BESI) began brokerage activities in India in May 2012 through Espirito Santo Investment Securities India Private Limited, a 75/25 per cent. partnership with the Burman family (Dabur Group). In April 2013, Espirito Santo Investment Securities India Private Limited secured registration as a merchant banker, allowing it to pursue other investment banking activities in the Indian market, specifically capital markets and mergers and acquisitions. Following the acquisition by Haitong, it was renamed Haitong Securities India Private Limited.

– **Lusitania Capital, S.A.P.I. de C.V., SOFOM, E.N.R.** (Mexico)

Haitong Bank (at that time known as BESI) strengthened its presence in Mexico in February 2013 through the creation of Lusitania Capital, S.A.P.I de C.V., SOFOM, E.N.R., a non-banking subsidiary firm with the capacity to provide advisory services and financial support to projects in local currency. This subsidiary represents a very important strategic step allowing Haitong Bank to expand its local client base and boost the project finance activity in this market.

– **Haitong Securities USA** (USA)

Upon authorisation from the Bank of Portugal, Haitong Securities USA was incorporated on 30 September 2015, in the United States of America, 100% owned by Haitong Bank, S.A., which will request from the competent American authorities a permission to operate in those markets as a broker dealer. This company's initial capital in the amount of US\$300,000 was paid up on 20 January 2016. This company is expected to begin operations in 2016.

**Main Business Areas**

Following the acquisition by Haitong International Holdings Limited, Haitong Bank's business model was reshaped according to international best practices and aligned to its Shareholder's business structure. Hence the business model is now based on four main areas: Investment Banking, Markets, Structured Finance and Wealth and Fund Management.



**M&A**

In 2015 the Bank concluded 31 transactions for a total amount of EUR 10 billion, most of which concerned Iberian companies. The Bank's M&A team earned a number of awards, including the distinctions, such as the

**Best Overall Bank in Portugal** in Euromoney's Real Estate awards and the "**Best Bank for M&A Advisory in Portugal**" in the real estate sector.

During 2015, the Bank remained the undisputed leader of the Portuguese M&A market (by number and value of concluded transactions) and ranked in fourth place in Iberia, by number of concluded transactions. This performance confirms its position as a reference player in the provision of investment banking services in the region.

Haitong Bank's generalist strategy allowed it to provide advisory services on a considerable number of relevant transactions in several industry sectors. The M&A team provided advisory services targeting several cross-border transactions in the markets where it operates: Iberia, Poland, UK, USA, Brazil and India.

### *Capital Markets (ECM / DCM)*

The capital markets division plays a prominent role in the primary equity, equity-linked and debt markets, having participated in a number of high profile transactions in Portugal, Spain and Brazil, as well as significant transactions in other jurisdictions including Poland, Mexico and the United Kingdom.

Nevertheless, and in spite of 2015 being a transitional year for the Bank due to change of control, it was involved in 20 capital markets transactions, representing a total deal amount of approximately € 2.4 billion.

As a result the Red Dorsal transaction in Peru, arranged and led by the Bank, was considered **Best Project Bond of the Year 2015** by Latin Finance and **Latin America Telecoms – Deal of the Year 2015** by IJ Global.

### *Equities*

2015 was a year of transition for the Equities business. Haitong Bank has focused on the strategic repositioning of its business and re-build of its teams, following the change in control to the new shareholder. Haitong Bank's performance in equities in 2015 remained slow. This was mainly due to a combination of unfavourable market conditions and the lengthy process of client re-empanelment post change in control and the tight compliance framework that our main clients are subject to. Following change in control, activity has slowly begun to improve. The re-build of the platform has begun and there is a significant operational leverage to this business given our existent low base compared to our addressable market.

### *Fixed Income*

In relation to the Risk Management activity in Iberia and despite the very adverse environment, 2015 was quite positive for the Corporate Solutions area. The area's activity registered significant growth, mainly driven by an increase in the number of interest rate hedging deals. Commodities were a less attractive underlying as most of them registered a bearish market. In terms of currency hedging deals, the business remained flat, with some appetite for EUR/USD. In Brazil, the Bank performed above expectations. During 2015, an improvement in spread levels was observed.

Iberian structured products activity in the first quarter focused mainly on OTC derivatives trading for Clients, while pursuing the secondary market service for the structured issues. The regular and consistent provision of secondary market liquidity was crucial for upholding the investors' reliance on the Bank as a structured products provider. Following change in control, the Bank has begun to increase its sales effort to both regular and new Clients.

The Bank was able to retain a good franchise within institutional investors, from pension funds/asset managers to Private Banking clients. In addition, Haitong Bank continued to provide good support in terms of market making given the difficult market conditions it faced and DCM primary market deals, Client relations were not affected by the transition period and by the market volatility in the fixed income space.

### *Derivatives*

In 2015, Haitong Bank began the build out of a Derivative markets platform in the UK. This platform is focused on origination, distribution and product manufacturing capabilities. The new Derivatives franchise across Equities and FICC will form the core of Haitong's Markets capabilities in Europe. This platform will be focused on manufacturing and distributing European products and originating and distributing China and other Emerging Markets products. This is a non-asset platform connecting to institutional and corporate client bases.

### ***Project Finance and Securitisation / Acquisition Finance and Other Loans***

Haitong Bank's Structured Finance activity in 2015 was conditioned by the funding constraints of the former Shareholder and then by the transition process to the new Shareholder, that ended in 7 September 2015. However and despite all constraints, the teams were able to conclude several refinancing deals and project-related positioning funded and unfunded transactions and worked on project financing advisory with its clients in the different regions.

A new business model for Structured Finance is being developed and a strong coordination between origination and distribution teams is key to its success. Haitong Bank is currently focused on developing an asset light balance sheet driven activity focused on transactions with distribution potential and cross selling to the DCM or M&A business areas, by working in coordination with Global Syndication and Distribution teams.

### ***Asset Management***

Haitong Bank Asset Management business closed another year with positive return (the 13<sup>th</sup>), which in the direct portfolios reached 4.8% for the "normal profile" and 10.1% for the "aggressive profile". These results were quite satisfactory, not only vis-à-vis the stock markets' general performance, but also in view of the lower underlying risk (namely of the normal profile portfolios) with which they were accumulated. Assets under Management registered an overall increase of 3.2% in 2015, totalling € 255,000,000.

### ***Private Equity***

This activity is performed through Haitong Capital. During 2015, 30 investment opportunities were analysed, all of them in development capital in Portugal, considerably less than in 2014. This reduction is mainly explained by the greater emphasis placed on portfolio management and divestment activities, which derived from the portfolio's stage of maturity, the liquidation period of the ES Ibéria I fund and the divestment from the private equity business in Brazil towards the end of 2014. As at 31 December 2015, the total portfolio and funds under management by Haitong Capital amounted to around € 175,000,000.

### ***Wealth Management***

This new activity, to be developed from 2016 onwards, will be based on an Open Architecture philosophy, always seeking to provide to its clients the best products and solutions existing in the market.

Haitong Bank's Wealth Management Division offer encompasses personalised Client approach identifying the best suitable methodology according to its clients' risk /return goals. A dedicated Relationship Manager will allow clients to have access to a wide range of products and solutions with a global perspective.

### ***International Operations***

Over the last 10 years, Haitong Bank's business expansion plan followed its former single shareholder's international development strategy, which targeted markets with economic and cultural affinities with Portugal and high growth potential.

The acquisition by Haitong Securities marked a new beginning for Haitong Bank. Haitong Bank will play a major role in connecting Asia with the emerging and developed markets in the West. New potential clients, markets and businesses will be developed in close commercial relationship with its partner and shareholder.

Haitong Bank's financial services platform worldwide is very well positioned to link the interests of China, the emerging markets and the main financial hubs of New York, London, Singapore and Hong-Kong, combining its expertise and multi-regional footprint with Haitong Securities' market leading position in Asia. Haitong Bank's main focus is to help Haitong Securities to explore global cross-border ambitions.

Currently, Haitong Bank is active in **Brazil**, where it operates through Haitong Brazil, which owns the brokerage company Haitong Securities do Brasil. In **Spain**, Haitong Bank carries on investment banking and brokerage operations through its local branch. Through its **London** Branch, Haitong Bank covers other European countries besides Portugal and Spain, mainly in the area of project finance and, through its wholly owned subsidiary Haitong (UK) Limited, it has a distribution platform for equity, fixed income products and derivatives, in addition to its origination and corporate finance activities focused on local mid-caps segment. In **Poland**, Haitong Bank carries out the following activities: brokerage, M&A, acquisition finance, fixed income

and capital markets products (equity and debt). In **Mexico and USA**, Haitong Bank is promoting cross-border M&A activities, expanding project finance and capital markets business areas and strengthening its presence in Latin America. In **India**, Haitong Bank is developing brokerage activities and other investment banking activities namely Capital Markets and M&A.

### ***Management and Employees***

The overall management of Haitong Bank is entrusted to a Board of Directors. The day to day management of Haitong Bank is entrusted to an Executive Committee composed of ten members (which will be reduced to nine following the resignation of Mr. Luís Miguel Pina Alves Luna Vaz), all of which are members of the Board of Directors. There are also three Senior Managing Directors with a seat on the Executive Committee. The supervision of business activities of Haitong Bank is entrusted to (i) a Supervisory Board, composed of three permanent members, one of whom acts as chairperson, and one Alternate member, and (ii) an independent and registered auditor.

As at 31 December 2015, Haitong Bank had 720 members of staff, including all its branches compared to the 724 members employed as at the end of 2014. The staff number is inclusive of subsidiary companies domiciled in Brazil, United Kingdom, Ireland, Poland, United States of America, India, Mexico, Spain and Portugal. As at 31 December 2015, around 65 per cent. of Haitong Bank's employees worked outside of Portugal.

### **The Board of Directors and the Executive Committee**

In a General Meeting held on 21 March 2013, the Board of Directors was elected for a four year term (2013-2016). The Board met on 2 April 2013 and approved the formation of the Executive Committee, reappointing all of the Board's previous Executive Directors (which were all re-elected as Board Members on the mentioned General Meeting), including Mr. José Maria Ricciardi as Chairman, and appointing newly elected Board Member Mr. Alan do Amaral Fernandes as Executive Director.

The Directors of Haitong Bank and their principal other positions and activities are as follows:

<i>Name</i>	<i>Position with Haitong Bank</i>	<i>Other Principal Activity</i>
Hiroki Miyazato <sup>1</sup>	Chairman of the Board of Directors and Executive Board Member	
José Maria Espírito Santo Silva Ricciardi	Vice-Chairman of the Board of Directors and Chief Executive Officer	
Rafael Caldeira de Castel-Branco Valverde	Vice-Chairman of the Board of Directors and Executive Board Member	
<i>Name</i>	<i>Position with Haitong Bank</i>	<i>Other Principal Activity</i>
Christian Georges Jacques Minzolini	Member of the Board of Directors and Executive Board Member	
Félix Aguirre Cabanyes	Member of the Board of Directors and Executive Board Member	
Paulo José Lameiras Martins	Member of the Board of Directors and Executive Board Member	
Frederico dos Reis de Arrochela Alegria	Member of the Board of Directors and Executive Board Member	
Alan do Amaral Fernandes	Member of the Board of Directors and Executive Board Member	
Mo Yiu Poon, who also uses and signs as Patrick Poon <sup>3</sup>	Member of the Board of Directors and Executive Board Member	

<i>Name</i>	<i>Position with Haitong Bank</i>	<i>Other Principal Activity</i>
Pan Guangtao <sup>2</sup>	Member of the Board of Directors	
Lin Yong <sup>4</sup>	Member of the Board of Directors	

<sup>1</sup> Mr. Hiroki Miyazato was appointed as Member of the Board of Directors by a resolution of the Shareholders' general meeting held on 7 September 2015 and took office as Chairman of the Board of Directors on 4 December 2015 following the authorisation by the Bank of Portugal.

<sup>2</sup> Mr. Pan Guangtao took office as Member of the Board of Directors on 4 December 2015 following the authorisation by the Bank of Portugal.

<sup>3</sup> Mr. Mo Yiu Poon was appointed as Member of the Board of Directors by a resolution of the Shareholders' general meeting held on 7 September 2015 and took office on 4 December 2015 following the authorisation by the Bank of Portugal.

<sup>4</sup> Mr. Lin Yong took office as Member of the Board of Directors on 12 April 2016 following the authorisation by the Bank of Portugal.

Haitong Bank is not aware of any potential conflict of interest between the duties of each of the members of its Board of Directors and his/her private interests or other duties.

Haitong Bank complies with the current corporate governance regime in force in the Portuguese jurisdiction.

The business address of each of the Directors of Haitong Bank is at Edifício Quartzo, Rua Alexandre Herculano, 38, 1269-180 Lisboa, Portugal. Haitong Bank can be contacted on: +351 21 319 69 00 (main reception); and by fax on: +351 21 330 95 00.

## KEEP WELL AGREEMENT

### Keep Well Agreement

HIIP and Haitong Bank have entered into a Keep Well Agreement dated 21 June 2016 (the “**Keep Well Agreement**”) governed by English law. The following is the text of the Keep Well Agreement:

This Keep Well Agreement is made on 21 June 2016 by and between

(1) HAITONG BANK, S.A., (*formerly Banco Espírito Santo de Investimento S.A.*) whose registered office is at Edifício Quartzo, Rua Alexandre Herculano, 38, 1269-180 Lisboa, Portugal, with a share capital of 426,269,000 Euros and registered in the commercial registry office of Lisbon under sole registration and taxpayer number 501 385 932 (“**Haitong Bank**”) and

(2) HAITONG INVESTMENT IRELAND P.L.C., (*formerly Espírito Santo Investment p.l.c.*) whose registered office is at Riverside One, Sir John Rogerson’s Quay, Dublin 2, Ireland (“**HIIP**”).

This Keep Well Agreement replaces, with effect from its date, the Keep Well Agreement dated 30 March 2015 with respect to Notes issued on or after 21 June 2016.

#### WHEREAS:

- (A) HIIP is 100 per cent. owned by Haitong Bank;
- (B) HIIP intends to raise funds by the issue of unsubordinated notes (the “**Senior Notes**”) and dated subordinated notes (the “**Tier 2 Notes**” and, together with the Senior Notes, the “**Notes**”) under a €2,500,000,000 Euro Medium Term Note Programme (the “**Programme**”) and to use such funds for its general corporate purposes; and
- (C) the Notes will be constituted by a trust deed dated 23 April 1999 (as modified and/or supplemented and/or restated from time to time, the “**Trust Deed**”) between HIIP, Haitong Bank and Citicorp Trustee Company Limited as trustee (the “**Trustee**”).

NOW, THEREFORE, Haitong Bank and HIIP hereby agree as follows:

1. In consideration of the sum of £1 paid by HIIP to Haitong Bank (receipt of which Haitong Bank hereby acknowledges), Haitong Bank will own, directly or indirectly, the entire issued share capital of HIIP and will control the composition of the board of directors of HIIP so long as any Notes are outstanding. Haitong Bank will not, directly or indirectly, pledge, grant a security interest in or encumber or otherwise dispose of any of such share capital or permit its subsidiaries to do so.
2.
  - (A) Subject to the provisions of clauses 3 and 4 below, at all times, while any Notes are outstanding, Haitong Bank will cause HIIP to maintain or will make available to HIIP, before the due date of any relevant payment obligations under the Notes, funds sufficient to enable HIIP to satisfy such payment obligations in full as they fall due. HIIP shall use the funds made available to it by Haitong Bank solely for the satisfaction when due of such payment obligations.
  - (B) Any and all funds from time to time provided by Haitong Bank to HIIP pursuant to clause 2(A) above shall be either (i) by way of the subscription for and payment of share capital (other than redeemable share capital) or (ii) by way of subordinated loan, that is to say a loan which, and interest on which, is not permitted to be, and is not capable of being, repaid or paid unless, and then only to the extent that, HIIP is, and immediately thereafter would continue to be, solvent in all respects and is subordinated on a winding up of HIIP to all of the other unsecured creditors (whether subordinated or unsubordinated) of HIIP.
3. The obligations of Haitong Bank under clause 2(A) above in respect of Tier 2 Notes are unsecured and will be subordinated to the extent that, in the event of the winding up of Haitong Bank, and to the

extent permitted by Portuguese law, payment by Haitong Bank under this Agreement (insofar as such payment relates to payment obligations of HIIP in respect of Tier 2 Notes) will be conditional upon Haitong Bank being able to satisfy in full the claims of all unsubordinated creditors of Haitong Bank.

4. Haitong Bank warrants and agrees that the obligations of Haitong Bank which may arise hereunder in respect of:
  - (i) Senior Notes constitute unsecured and unsubordinated obligations of Haitong Bank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Haitong Bank, present and future, subject to mandatory provisions of law affecting creditors' rights generally and statutorily preferred obligations; and
  - (ii) Tier 2 Notes constitute unsecured and, in accordance with clause 3 above, subordinated obligations of Haitong Bank and will, in the event of a winding up of Haitong Bank, to the extent permitted by Portuguese law, (a) be subordinated to the claims of all Senior Creditors; (b) rank at least *pari passu* with the claims of all other subordinated creditors of Haitong Bank which in each case by law rank, or by their terms are expressed to rank, *pari passu* with the Tier 2 Notes; and (c) rank senior to Haitong Bank's ordinary shares, preference shares and any junior subordinated obligations or other securities of Haitong Bank which by law rank, or by their terms are expressed to rank, junior to the Tier 2 Notes.

For the purposes of paragraph (ii), "**Senior Creditors**" means creditors of Haitong Bank (i) who are depositors and/or other unsubordinated creditors of Haitong Bank; or (ii) who are subordinated creditors of Haitong Bank (whether in the event of winding up of Haitong Bank or otherwise) other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with or junior to the claims of the holders of Tier 2 Notes.

5. This Agreement is not, and nothing herein contained and nothing done by Haitong Bank pursuant hereto shall be deemed to constitute, a guarantee, direct or indirect, by Haitong Bank of any Notes or any payment obligations arising out of or in connection with any Notes.
6. If HIIP shall be in liquidation, administration or receivership or other analogous proceedings, and Haitong Bank shall be in default of its obligations hereunder, Haitong Bank shall be liable by way of liquidated damages to HIIP for such breach in an amount equal to the sum that Haitong Bank would have paid had it performed in full its obligations hereunder and HIIP (and any liquidator, administrator or receiver of HIIP or other analogous officer or official) shall be entitled to claim accordingly.
7. This Agreement may be modified or terminated only by the written agreement of Haitong Bank and HIIP.
8. This Agreement, and any non-contractual obligations arising out of or in connection with this Agreement, are governed by, and shall be construed in accordance with, English law except that clause 3 is governed by, and shall be construed in accordance with, the laws of Portugal. Each of Haitong Bank and HIIP hereby irrevocably agrees that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement, and any non-contractual obligations arising out of or in connection with this Agreement, and that accordingly any suit, action or proceedings (together "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts and each waives any objection to Proceedings in such courts whether on the grounds that the Proceedings have been brought in an inconvenient forum or otherwise. Each of Haitong Bank and HIIP hereby appoints Haitong Bank, S.A., London Branch as its agent to accept service of process on its behalf in England in respect of any Proceedings and agrees that, in the event of Haitong Bank S.A., London Branch ceasing so to act, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing in this clause shall affect the right to serve process in any other manner permitted by applicable law.
9. This Agreement and any supplements hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same agreement and any party to this Agreement or any agreement supplemental hereto may enter into the same by executing and delivering, a counterpart.

IN WITNESS WHEREOF this Agreement has been entered into on the date which appears first on page 1.

HAITONG BANK, S.A.

By:

HAITONG INVESTMENT IRELAND P.L.C.

By:

**Note:**

The Keep Well Agreement is not, and should not be regarded as equivalent to, a guarantee by Haitong Bank of any payment in respect of the HIIP Notes. HIIP has, under the terms of the Trust Deed, assigned its rights under the Keep Well Agreement by way of security to the Trustee for the benefit of the holders of the Notes issued by HIIP as security for payment of principal and interest on such Notes. Following an Event of Default, the Trustee will be entitled, on behalf of the holders of the HIIP Notes, to enforce such security and to enforce HIIP's rights under the Keep Well Agreement against Haitong Bank in accordance with the terms of the Trust Deed. Enforcement in the English courts will be subject, among other things, to the powers of such courts to stay proceedings and other principles of law and equity of general application.

Haitong Bank's participation, signature and execution of any of the programme documentation and the existence of Keep Well Agreement does not correspond to, nor can it be construed as, any form of undertaking of liability by Haitong Bank against the holders of the HIIP Notes, without prejudice to the assignment by way of security of the rights of HIIP under the Keep Well Agreement pursuant to the Trust Deed.

## TAXATION

### IRISH TAXATION

The following is a general summary of the Issuers' understanding of the current law and practice in Ireland relating to the taxation of Notes issued by HIIP where the Relevant Tax Jurisdiction is Ireland (the "Irish Notes") under this Programme and is subject to any change that may come into effect after the date of this Offering Circular. This summary relates only to the position of persons who are the absolute beneficial owners of the Irish Notes and the return on them and some aspects may not apply to certain classes of taxpayers (such as dealers). Any Noteholders who are in any doubt as to their tax position should seek their own professional advice in respect of their own specific circumstances.

#### Irish Corporation Tax

In general, a company resident in Ireland is chargeable to corporation tax on its profits (which include income and chargeable gains) wherever arising. Broadly, income earned on the Irish Notes will be subject to corporation tax at a rate of either 12.5 per cent. or 25 per cent., depending on the facts and circumstances of the relevant Irish resident company. Any gains arising on the disposal of the Irish Notes will be subject to corporation tax at a rate of either 12.5 per cent. or 33 per cent. depending on the facts and circumstances of the relevant Irish resident company.

#### Liability of Noteholders to Irish Income Tax

In general, persons who are resident and domiciled in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income.

#### Irish Source Income

Any interest, discount or premium on the Irish Notes may be Irish source income. Such income may be within the charge to Irish tax, except for:

- (i) interest paid in the ordinary course of the Issuer's trade or business to a company resident in a Member State of the European Union (except for Ireland) or in a country with which Ireland has a double tax treaty in effect, which imposes a tax that generally applies to interest receivable in that country by companies from outside that country, unless that interest income is connected with an Irish agency, branch or trade of such a company;
- (ii) interest paid in the ordinary course of the Issuer's trade or business to a company where the interest is exempted from the charge to Irish income tax under the terms of a double tax treaty having the force of law or would so be exempted if the terms of a double tax treaty made with another country had the force of law, unless that interest income is connected with an Irish agency, branch or trade of such a company;
- (iii) interest paid by the Issuer on Irish Notes which are quoted Eurobonds (within the meaning of Section 64 TCA 1997, see below), to a person who is:
  - (a) a person resident in a Member State of the European Union (except for Ireland) or in a country with which Ireland has a double tax treaty, or
  - (b) a company which is not resident in Ireland and is under the control, whether directly or indirectly of a person or persons who is or are resident in a Member State of the European Union (except for Ireland) or in a country with which Ireland has a double tax treaty and who is or are, as the case may be, not under the control, whether directly or indirectly, of a person who is, or persons who are, not so resident, or
  - (c) a company which is not resident in Ireland and the principal class of shares of which are substantially and regularly traded on a stock exchange in Ireland, on one or more recognised stock exchanges in a Member State of the European Union (except for Ireland) or in a country with

which Ireland has a double tax treaty or on such other stock exchange as may be approved of by the Minister of Finance,

unless that interest income is connected with a trade carried on by an Irish agency or branch of such a person;

- (iv) interest payments on wholesale debt instruments to which Section 246A TCA 1997 applies, to a person who is:
  - (a) a person resident in a Member State of the European Union (except for Ireland) or in a country with which Ireland has a double tax treaty, or
  - (b) a company which is not resident in Ireland and is under the control, whether directly or indirectly, of a person or persons who is or are resident in a Member State of the European Union (except for Ireland) or in a country with which Ireland has a double tax treaty and who is or are, as the case may be, not under the control, whether directly or indirectly, of a person who is, or persons who are, not so resident, or
  - (c) a company which is not resident in Ireland and the principal class of shares of which are substantially and regularly traded on a stock exchange in Ireland, on one or more recognised stock exchanges in a Member State of the European Union (except for Ireland), or in a country with which Ireland has a double tax treaty, or on such other stock exchange as may be approved of by the Minister of Finance,

unless that interest income is connected with a trade carried on by an Irish agency or branch of such a person; or

- (v) discounts arising on securities issued in the ordinary course of the Issuer's trade or business where the person receiving the discount is a tax resident of another EU State or is a tax resident of a country with which Ireland has a double tax treaty in effect, unless that discount is connected with a trade carried on by an Irish branch or agency of such a person.

Ireland operates a self-assessment system in respect of income and corporation taxes and any person, including a person who is neither resident nor ordinarily resident in Ireland for tax purposes, with Irish source income chargeable to tax comes within its scope.

### **Irish Deposit Interest Retention Tax**

Deposit interest retention tax applies to relevant deposit takers under Chapter 4 of Part 8 of the Taxes Consolidation Act 1997 ("TCA 1997").

On the assumption that HIIP is not the holder of a licence granted under Section 9 of the Central Bank Act 1971, and has not received any similar authorisation under the law of any other Member State of the EU, HIIP is not a relevant deposit taker within the meaning of Section 256 TCA 1997, and as such interest on the Irish Notes should not be liable to deposit interest retention tax.

### **Irish Interest Withholding Tax**

Irish interest withholding tax, where applicable under Section 246 TCA 1997, is withheld at the standard rate of income tax in Ireland, currently 20 per cent.

- (i) Discount and premium

The Irish Notes may be issued at a discount or be redeemable at a premium, whether or not periodic interest payments are due on the Irish Notes. Generally, payments of discount or premium are not within the scope of Irish withholding tax, however, to the extent the return on the Irish Notes is regarded for tax purposes as a payment of interest, the sections dealing with interest withholding tax will be relevant.

(ii) Yearly interest

Irish interest withholding tax applies only to payments of “yearly interest”. In general, “yearly interest” can be taken to be interest on a loan which runs, or is capable of running, for a period of one year or longer. Therefore, payments of interest in respect of the Irish Notes may be made without withholding Irish interest withholding tax where the stated maturity of the Irish Notes is less than one year and the Irish Notes are not issued consecutively to the Noteholder such that the Irish Notes would have an aggregate maturity of one year or longer.

(iii) Quoted Eurobonds

Payments of interest may be made without withholding Irish interest withholding tax where the Irish Notes meet the requirements of Section 64 TCA 1997 (the “quoted Eurobond” exemption). The conditions of Section 64 require the Irish Notes to be quoted on a recognised stock exchange (the Irish Stock Exchange is a recognised stock exchange for this purpose) and to carry a right to interest.

For so long as Irish Notes continue to be “quoted Eurobonds” and are held in a recognised clearing system (both Euroclear and Clearstream, Luxembourg are recognised clearing systems for this purpose), payments of interest on the Irish Notes may be made by any Paying Agent acting on behalf of the Issuer without withholding Irish interest withholding tax.

If the Irish Notes are not held or cease to be held in a recognised clearing system but still meet the “quoted Eurobond” conditions above, payments of interest may still be made without withholding Irish interest withholding tax where:

- (a) the person by or through whom the payment of interest is made is not in Ireland; or
- (b) the payment is made by or through a person in Ireland and the person who is the beneficial owner of the relevant Irish Note and who is beneficially entitled to the interest is not tax-resident in Ireland and has made a declaration in the prescribed form.

(iv) Exempted Wholesale Debt Instruments

For the purposes of this exemption, “commercial paper” is defined in Section 246A TCA 1997 as a note which recognises an obligation to pay a stated amount, carries a right to interest or is issued at a premium or discount and matures within two years.

So long as any Irish Notes constitute commercial paper (as defined above), payments of interest on such Irish Notes may be made without deduction of Irish interest withholding tax in the following circumstances:

- (i) the person by whom or through whom the payment is made is not tax-resident in Ireland and the payment is not made by or through a branch or agency through which the non-Irish resident company carries on a trade or business in Ireland and the Irish Notes are held in a recognised clearing system and are denominated in amounts of not less than €500,000, or U.S. \$500,000 or the equivalent of €500,000 (in the case of an instrument denominated in a currency other than euro or U.S. Dollars), or
- (ii) the person by whom or through whom the payment is made is tax-resident in Ireland or the payment is made either by or through a branch or agency through which a non-Irish resident company carries on a trade or business in Ireland, and either:
  - (a) the Irish Notes are held in a recognised clearing system and are denominated in amounts of not less than €500,000 (in the case of an instrument denominated in euro), U.S.\$500,000 (in the case of an instrument denominated in U.S. Dollars) or the equivalent of €500,000 (in the case of an instrument denominated in a currency other than euro or U.S. Dollars), or

- (b) the person who is beneficially entitled to the interest is Irish tax-resident and has provided their Irish tax registration number to the Issuer or Paying Agent in advance of the payment, or
- (c) the person who is the beneficial owner of the Irish Notes and who is beneficially entitled to the interest is not Irish tax-resident and has provided the Issuer or Paying Agent with a completed non-resident declaration in the approved form in advance of the payment.

- (v) Double taxation treaty (exemption/reduction)

A recipient of interest may be entitled to exemption from Irish interest withholding tax or to a reduced rate of same pursuant to the provisions of an appropriate double taxation treaty. Authorisation in advance of any payment of interest would generally be required from the Irish Revenue Commissioners in respect of such exemption or reduction.

### **Irish Encashment Tax**

In certain circumstances, quoted Eurobonds within the meaning of Section 64 TCA 1997 can fall within the scope of Irish encashment tax.

A non-Irish paying agent should not be obliged to deduct Irish encashment tax at the standard rate (currently 20 per cent.) from interest on the Irish Notes which constitute quoted Eurobonds. If a banker or any other person in Ireland were to pay the interest, receive the interest on behalf of a third party, sell or otherwise realise the interest coupons on quoted Eurobonds on behalf of a third party or buy the coupons (other than from a bank or other coupon dealer) then Irish encashment tax at the standard rate would apply to the amounts belonging to Irish tax resident Noteholders or to non-Irish resident Noteholders who had not completed the requisite non-resident declaration forms.

### **Irish Capital Gains Tax**

A Noteholder who is resident or ordinarily resident in Ireland for Irish tax purposes may be subject to Irish capital gains tax at a rate of 33 per cent. on any gain realised on disposal or redemption of the Irish Notes.

A Noteholder who is neither resident nor ordinarily resident in Ireland for Irish tax purposes is not subject to Irish capital gains tax unless the Irish Notes:

- (i) are situated in Ireland and have been used in or for the purposes of a trade carried on by such a person in Ireland through a branch or agency or acquired for use by or for the purposes of the branch or agency; or
- (ii) are not quoted on a stock exchange and derive their value or the greater part of their value from land, minerals, mineral rights or exploration rights in Ireland.

### **Irish Stamp Duty**

Irish stamp duty will not be payable on the issue of the Irish Notes or the transfer of legal title by delivery of the Irish Notes.

In the case of the transfer of legal title to the Irish Notes by an instrument in writing, no charge to Irish stamp duty will arise (by virtue of Section 85 of the Stamp Duties Consolidation Act 1999 (“SDCA”)) provided that the relevant Irish Notes:

- (i) do not carry a right of conversion into stocks or marketable securities (other than loan capital within the meaning of Section 85 SDCA 1999) of a company having a register in Ireland or into loan capital having such a right;
- (ii) do not carry rights of the same kind as shares in the capital of a company, including rights such as voting rights, a share in the profits or a share in the surplus upon liquidation;

- (iii) are issued for a price which is not less than 90 per cent. of their nominal value; and
- (iv) do not carry a right to a sum in respect of payment or interest which is related to certain movements in an index or indices (based wholly or partly and directly or indirectly on stocks or marketable securities) specified in any instrument or other document relating to the Irish Notes.

Where the above exemption or another exemption does not apply, the instrument of transfer (whether executed in Ireland or elsewhere) is liable to Irish stamp duty at the rate of one per cent. of the consideration paid in respect of the transfer (or if greater, the market value thereof) which must be paid by the transferee within 30 days of the date on which such a transfer is executed.

### **Irish Capital Acquisitions Tax**

A gift or inheritance of the Irish Notes may give rise to a liability to Irish capital acquisitions tax in the hands of the donee or successor, if either the Irish Notes which are the subject of the disposition are considered situate in Ireland, or if either the disponer or donee/successor are resident or ordinarily resident in Ireland. The rate of Capital Acquisitions Tax is currently 33 per cent.

### **The Common Reporting Standard (CRS) in Ireland**

On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD and this includes the CRS. The CRS provides that certain entities (known as Financial Institutions) shall identify “**Accounts**” (as defined, broadly equity and debt interests in the Financial Institution) held by persons who are tax resident in other CRS participating jurisdiction. That information is then subject to annual automatic exchange between governments in CRS participating jurisdictions.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation (“**DAC II**”) implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year. Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the “**CRS Regulations**”). The Irish Revenue Commissioners have indicated that Irish Financial Institutions will be obliged to make a single return in respect of CRS and DAC II. CRS applies in Ireland from 1 January 2016.

The Issuer is expected to constitute a Financial Institution for CRS purposes. In order to comply with its obligations under CRS and DAC II, the Issuer shall be entitled to require Noteholders to provide certain information in respect of the Noteholder's and, in certain circumstances, their controlling persons' tax status, identity or residence. Noteholders will be deemed, by their holding of the Notes, to have authorised the automatic disclosure of such information by the Issuer (or any nominated service provider) to the Irish Revenue Commissioners. The information will be reported by the Issuer to the Irish Revenue Commissioners who will then exchange the information with the tax or governmental authorities of other participating jurisdictions, as applicable. To the extent that the Notes are held within a recognised clearing system, the Issuer should have no reportable accounts in a tax year.

Provided the Issuer complies with these obligations, it should be deemed compliant for CRS and DAC II purposes. Failure by the Issuer to comply with its CRS and DAC II obligations may result in it being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed pursuant to the Irish implementing legislation.

### **Relevant Definitions**

“CRS” means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard.

## PORTUGUESE TAXATION

The following is a summary of the material Portuguese tax consequences with respect to the Notes. The summary does not purport to be a comprehensive description of all the tax consequences that may be relevant to any particular Noteholder, including tax considerations that arise from rules of general application or that are generally assumed to be known to Noteholders. This discussion is based on Portuguese law as it stands at the date of this Offering Circular and is subject to any change in law that may take effect after such date. Prospective investors in the Notes should consult their professional advisers with respect to particular circumstances and the effects of state, local or foreign laws to which they may be subject. Noteholders who are in doubt as to their tax position should consult their professional advisers.

**Notes issued by Haitong Bank acting through London branches are subject to the following specific tax considerations:**

Payments to be made by Haitong Bank acting through its London Branch of investment income (including interest) arising from Notes issued by them and payable to an individual or legal person who is a non-resident in Portuguese territory for tax purposes are not subject to Portuguese withholding tax provided those payments correspond to costs or charges concerning the activities of that branch. It should be taken into account that according with the legal provision dealing with this matter the Secretary of State for Fiscal Affairs (currently *Secretário de Estado dos Assuntos Fiscais*) has issued the governmental order no. 1132/2006-XVII, of 12 September, stating that, if the proceeds of the Notes issued by foreign financial branches of Portuguese credit institutions are transferred to the respective headquarters or to another branch of such Portuguese credit institutions, the investment income (including interest) arising from such Notes and payable to Noteholders with no residence, effective management or permanent establishment in Portugal will be considered subject to Portuguese withholding tax at a rate of 25 per cent. (in the case of non-resident legal persons) or at the rate of 28 per cent (in the case of non-resident individuals) or at the rate of 35 per cent. (in the case of investment income payments made to (i) accounts opened in the name of one or several account holders acting on behalf of undisclosed third parties and the relevant beneficial owner(s) of the income is/ are not identified; or (ii) individuals and legal persons domiciled in a country, territory or region subject to a tax regime which is clearly more favourable included in the blacklist approved by Order issued by the Portuguese Minister of Finance (currently Portaria no. 150/2004, of 13 February, as amended by Ministerial order Portaria no. 292/2011 of 8 November 2011), which may be reduced in accordance with any applicable double taxation treaty signed by Portugal. In order to benefit from such reduction Noteholders shall comply with certain procedures and certification requirements of the Portuguese tax authorities, aimed at verifying the non-resident status and eligibility for the respective tax treaty benefits (such as the tax form 21 RFI).

**Notes issued by Haitong Bank acting through its head office in Lisbon are subject to the following specific tax considerations:**

Economic benefits derived from interest, amortisation, reimbursement premiums and other types of remuneration arising from the Notes are designated as investment income for Portuguese tax purposes.

### **General tax regime applicable on debt securities**

Interest and other types of investment income obtained on Notes by a Portuguese resident individual is subject to individual income tax. If the payment of interest or other investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 per cent., which is the final tax on that income unless the individual elects for aggregation to his taxable income, subject to tax at the current progressive rates of up to 48 per cent. In the latter circumstance an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent on the remaining part (if any) of the taxable income exceeding €250,000. Also, if the option of income aggregation is made an additional surcharge will also be due for the tax year of 2016 according to the taxpayer taxable income, as follows: (i) 0 per cent for taxable income up to € 7,070; (ii) 1 per cent for taxable income exceeding € 7,070 up to € 20,000; (iii) 1.75 per cent for taxable income exceeding € 20,000 up to € 40,000; (iv) 3 per cent for taxable income exceeding € 40,000 up to € 80,000 and (v) 3.5 per cent for taxable income above € 80,000. For January 1, 2017 onwards, it is foreseen that such additional surcharge will no longer be applicable.

In this case, the tax withheld is deemed a payment on account of the final tax due. Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Capital gains obtained as a result of the transfer of the Notes by Portuguese tax resident individuals are taxed at a special rate of 28 per cent. levied on the positive difference between such gains and gains on other securities and losses on securities. Accrued interest does not qualify as capital gains for tax purposes.

Interest and other investment income derived from Notes and capital gains obtained with the transfer of Notes by legal persons resident for tax purposes in Portugal and by non-resident legal persons with a permanent establishment in Portugal are included in their taxable income and subject to corporate income tax rate at a rate of (i) 21 per cent. or (ii) if the taxpayer is a small or medium enterprise as established in Decree-Law no. 372/2007, of 6 November 2007, 17 per cent. for taxable profits up to €15,000; and 21 per cent. on profits in excess thereof to which may be added a municipal surcharge (*derrama municipal*) of up to 1.5 per cent. of its taxable income. Corporate taxpayers with a taxable income of more than €1,500,000 are also subject to State surcharge (*derrama estadual*) of (i) 3 per cent. on the part of its taxable profits exceeding €1,500,000 up to €7,500,000, (ii) 5 per cent. on the part of the taxable profits that exceeds €7,500,000 up to €35,000,000, and (iii) 7 per cent. on the part of the taxable profits that exceeds €35,000,000.

As a general rule, withholding tax at a rate of 25 per cent. applies on interest and other investment income, which is deemed a payment on account of the final tax due. Financial institutions, pension funds, retirement and/or education savings funds, share savings funds, venture capital funds and collective investment undertakings incorporated under the laws in Portugal and some exempt entities are not subject to Portuguese withholding tax.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and, as a consequence, the tax rates applicable to such beneficial owner(s) will apply.

Without prejudice to the special debt securities tax regime as described below, the general tax regime on debt securities applicable to non resident entities is the following:

Interest and other types of investment income obtained by non resident individuals without a Portuguese permanent establishment to which the income is attributable is subject to withholding tax at a rate of 28 per cent. which is the final tax on that income. Interest and other types of investment income obtained by non resident legal persons without a Portuguese permanent establishment to which the income is attributable is subject to withholding tax at a rate of 25 per cent. which is the final tax on that income.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

A withholding tax rate of 35 per cent. applies in case of investment income payments to individuals or companies domiciled in a “low tax jurisdiction” list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February 2011, as amended by Ministerial Order (*Portaria*) no. 292/2011 of 8 November 2011.

Under the tax treaties entered into by Portugal, which are in full force and effect on the date of this Offering Circular, the withholding tax rate may be reduced to 15, 12, 10 or 5 per cent., depending on the applicable treaty and provided that the relevant formalities (including certification of residence by the tax authorities of the beneficial owners of the interest and other investment income) are met. The reduction may apply at source or through the refund of the excess tax. The forms currently applicable for these purposes may be available for viewing and downloading at [www.portaldasfinancas.gov.pt](http://www.portaldasfinancas.gov.pt).

Capital gains obtained on the transfer of Notes by non resident individuals without a permanent establishment in Portugal to which gains are attributable are exempt from Portuguese capital gains taxation unless the individual is resident in a country, territory or region subject to a clearly more favourable tax regime included in the “low

tax jurisdictions” list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February 2011 (*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*), as amended by Ministerial Order (*Portaria*) no. 292/2011 of 8 November 2011. Capital gains obtained by individuals that are not entitled to said exemption will be subject to taxation at a 28 per cent. flat rate. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese corporate income tax, but the applicable rules should be confirmed on a case by case basis. Accrued interest does not qualify as capital gains for tax purposes.

Regarding capital gains obtained on the transfer of Notes by a legal person non resident in Portugal for tax purposes and without a permanent establishment in Portugal to which gains are attributable are exempt from Portuguese capital gains taxation, unless the share capital of the non resident entity is more than 25 per cent. directly or indirectly held by Portuguese resident entities or if the beneficial owner is resident in a country, territory or region subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February 2011 (*Lista dos países, territórios e regiões com regimes de tributação privilegiada, claramente mais favoráveis*), as amended by Ministerial Order (*Portaria*) no. 292/2011 of 8 November 2011. If the exemption does not apply, the gains will be subject to corporate income tax at a rate of 25 per cent. Under the tax treaties entered into by Portugal, such gains are usually not subject to Portuguese corporate income tax, but the applicable rules should be confirmed on a case by case basis.

### **Special debt securities tax regime**

Pursuant to Decree-Law no. 193/2005, of 7 November 2005, as amended from time to time (“**Decree-Law 193/2005**”), investment income paid on, as well as capital gains derived from a sale or other disposition of the Notes, to non-Portuguese resident Noteholders will be exempt from Portuguese income tax provided the debt securities are integrated in (i) a centralised system for securities managed by an entity resident for tax purposes in Portugal (e.g. Central de Valores Mobiliários managed by Interbolsa), or (ii) an international clearing system operated by a managing entity established in a Member State of the EU other than Portugal (e.g. Euroclear or Clearstream, Luxembourg) or in a European Economic Area Member State provided, in this case, that such Member State is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States or (iii) integrated in other centralised systems not covered above provided that, in this last case, the Portuguese Government authorises the application of the Decree-Law no. 193/2005, and the beneficiaries are:

- (i) central banks or governmental agencies; or
- (ii) international bodies recognised by the Portuguese State; or
- (iii) entities resident in countries or jurisdictions with whom Portugal has in force a double tax treaty or a tax information exchange agreement; or
- (iv) other entities without headquarters, effective management or a permanent establishment in the Portuguese territory to which the relevant income is attributable and which are not domiciled in a blacklisted jurisdiction as set out in the *Portaria* no. 150/2004, as amended.

For purposes of application at source of this tax exemption regime, Decree-Law no. 193/2005 requires completion of certain procedures and the provision of certain information. Under these procedures (which are aimed at verifying the non-resident status of the Noteholder), the Noteholder is required to hold the Notes through an account with one of the following entities:

- (a) a direct registered entity, which is the entity with which the debt securities accounts that are integrated in the centralised system are opened;
- (b) an indirect registered entity, which, although not assuming the role of the “direct registered entities”, is a client of the latter; or
- (c) an international clearing system, which is an entity that proceeds, in the international market, to clear, settle or transfer securities which are integrated in centralised systems or in their own registration systems.

The following is a general description of the rules and procedures for the proof required for the exemption to apply at source, as they stand as at the date of this Offering Circular.

#### **Domestic Cleared Notes – held through a direct register entity**

Direct register entities are required, for the purposes of Decree-Law no. 193/2005, to register the Beneficiaries in one of two accounts: (i) an exempt account or (ii) a non-exempt account. Registration of the Notes in the exempt account is crucial for the exemption to apply. For this purpose, the registration of the non-resident Noteholders in an exempt account, allowing application of the exemption upfront, requires evidence of the non-resident status, to be provided by the Noteholder to the direct registration entity before or at the Income Payment Date (as defined below), as follows:

- (i) if the Noteholder is a central bank, an international body recognised as such by the Portuguese State, or a public law entity and respective agencies, a declaration issued by the beneficial owner of the Notes itself duly signed and authenticated, or proof of non-residence pursuant to (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct registration entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;
- (ii) if the Noteholder is a credit institution, a financial company, a pension fund or an insurance company domiciled in any OECD country or in a country with which Portugal has entered into a double taxation treaty, certification shall be made by means of the following: (A) its tax identification official document; or (B) a certificate issued by the entity responsible for such supervision or registration, or by tax authorities, confirming the legal existence of the beneficial owner of the Notes and its domicile; or (C) proof of non-residence pursuant to (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;
- (iii) if the Noteholder is an investment fund or other collective investment scheme domiciled in any OECD country or in a country with which the Portuguese Republic has a double tax treaty in force or a tax information exchange agreement in force, it shall prove its non-resident status by providing any of the following documents: (a) a declaration issued by the entity responsible for its supervision or registration or by the relevant tax authority, confirming its legal existence, domicile and law of incorporation; or (b) proof of non-residence pursuant to the terms of paragraph (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct registration entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying; and
- (iv) other investors will be required to prove their non-resident status by way of: (a) a certificate of residence or equivalent document issued by the relevant tax authorities; (b) a document issued by the relevant Portuguese Consulate certifying residence abroad; or (c) a document specifically issued by an official entity which forms part of the public administration (either central, regional or peripheral, indirect or autonomous) of the relevant country. The Noteholder must provide an original or a certified copy of such documents and, as a rule, if such documents do not refer to a specific year and do not expire, they must have been issued within the three years prior to the relevant payment or maturity dates or, if issued after the relevant payment or maturity dates, within the following three months. The Noteholder must inform the direct registration entity immediately of any change in the requirement conditions that may eliminate the tax exemption.

“**Income Payment Date**” means any date on which the Beneficiaries are entitled to receive interest or other investment income, either in the form of accrued interest or coupon.

#### **Internationally Cleared Notes – held through an entity managing an international clearing system**

Pursuant to the requirements set forth in the tax regime, if the Notes are registered in an account held by an international clearing system operated by a managing entity, the latter shall transmit, on each interest payment date and each relevant redemption date, to the direct registration entity or to its representative, and with respect to all accounts under its management, the identification and quantity of securities, as well as the amount of

income, and, when applicable, the amount of tax withheld, segregated by the following categories of beneficiaries:

- (a) entities with residence, headquarters, effective management or permanent establishment to which the income would be imputable and which are non-exempt and subject to withholding;
- (b) entities which have residence in a country, territory or region with a more favourable tax regime, included in the Portuguese “blacklist” (countries and territories listed in Portaria no. 150/2004, of 13 February 2004, as amended from time to time, the “**Portaria no. 150/2004**”) and which are non-exempt and subject to withholding;
- (c) entities with residence, headquarters, effective management or permanent establishment to which the income would be imputable, and which are exempt or not subject to withholding; and
- (d) other entities which do not have residence, headquarters, effective management or permanent establishment to which the income generated by the securities would be imputable.

On each interest payment date and each relevant redemption date, the following information with respect to the beneficiaries that fall within the categories mentioned in paragraphs (a), (b) and (c) above, should also be transmitted:

- (i) name and address;
- (ii) tax identification number (if applicable);
- (iii) identification and quantity of the securities held; and
- (iv) amount of income generated by the securities.

**No Portuguese withholding tax exemption shall be granted under Decree-Law no. 193/2005 if the requirements set forth therein are not complied with and, consequently, the general Portuguese tax provisions shall apply as described above.**

If the conditions for the exemption to apply are met, but, due to inaccurate or insufficient information, tax was withheld, a special refund procedure is available under the special regime approved by Decree-Law no. 193/2005, as amended from time to time. The refund claim is to be submitted to the direct registration entity of the Notes within 6 months from the date the withholding took place. A special tax form for these purposes, and for issuances as from 1 January onwards, was approved by Order (*Despacho*) no. 2937/2014 (2nd series), published in the Portuguese official gazette, second series, no. 5, of 21 February 2014 issued by the Secretary of State and Tax Affairs and may be available at [www.portaldasfinancas.gov.pt](http://www.portaldasfinancas.gov.pt).

The refund of withholding tax after the above six-month period is to be claimed from the Portuguese tax authorities within two years, starting from the term of the year in which the withholding took place.

The absence of evidence of non-residency in respect to any non-resident entity which benefits from the above mentioned tax exemption regime shall result in the loss of the tax exemption and consequent submission to the above applicable Portuguese general tax provisions.

## **UNITED KINGDOM TAXATION**

**The following, which applies only to persons who are beneficial owners of Notes, is a summary of the Relevant Issuer’s understanding of current law and Her Majesty’s Revenue and Customs (“HMRC”) practice in the United Kingdom as at the date of this Offering Circular relating to the withholding tax treatment of interest paid on the Notes and does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The following may not apply to certain classes of persons, such as dealers and persons connected with the Relevant Issuer, to whom special rules may apply. Prospective Noteholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.**

The Issuer may make payments in respect of the Notes without deduction or withholding for or on account of United Kingdom tax where such payments do not have a “United Kingdom source”. Interest on Notes may have a United Kingdom source (“**UK Interest**”); for example interest on Notes secured on assets situated in the United Kingdom, or interest on Notes which are issued by Haitong Bank through its London branch, may have a United Kingdom source.

Payments of UK Interest made in respect of Notes which carry a right to interest and are listed on a “recognised stock exchange” within the meaning of section 1005 of the Income Tax Act 2007 (the “**Act**”) may be made without withholding or deduction for or on account of United Kingdom income tax. Section 1005(3) of the Act provides that securities will be listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange, and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. The Irish Stock Exchange is a recognised stock exchange, as is the main market of the London Stock Exchange.

Payments in respect of Notes issued by Haitong Bank through its London branch may be made without deduction or withholding for or on account of United Kingdom income tax provided that Haitong Bank continues to be a bank within the meaning of section 991 of the Act and that the interest on the Notes issued by Haitong Bank through its London branch is paid in the ordinary course of its business.

In addition to the exemptions referred to above, the Issuer is entitled to make payments of UK Interest on the Notes without withholding or deduction for or on account of United Kingdom income tax if, at the time the relevant payments are made, the Issuer reasonably believes that, broadly, the person beneficially entitled to the income is a company within the charge to United Kingdom corporation tax in respect of the interest or falls within a list of specified tax-exempt entities and bodies (unless HMRC has given a direction that this exemption shall not apply, having reasonable grounds for believing the conditions for the exemption will not be met). In cases where no exemption applies, UK Interest will generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to any direction to the contrary by HMRC under the provisions of an applicable double taxation treaty.

If Notes are issued at a discount to their principal amount, any such discount element is not subject to any United Kingdom withholding tax. If Notes are redeemed at a premium to principal amount (as opposed to being issued at a discount) then, depending on the circumstances, such premium may constitute a payment of interest for United Kingdom tax purposes and hence be subject to the United Kingdom withholding tax rules outlined above.

HMRC has powers in certain circumstances to require persons paying or crediting interest in the ordinary course of its business to provide information and documents to HMRC in respect of the interest paid or credited and the persons to whom the interest was so paid or credited. This may include details of the beneficial owners of the Notes, of the persons for whom the Notes are held and of the persons to whom payments derived from the Notes are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, the registered holders of Notes, persons who make, receive or are entitled to receive payments derived from the Notes and persons by or through whom interest and payments treated as interest are paid or credited. In certain circumstances, HMRC may be entitled to exchange such information with the tax authorities of other jurisdictions. Interest for this purpose includes any amount to which a person holding a deeply discounted security is entitled on redemption of that security.

## **EU SAVINGS DIRECTIVE**

Under European Directive 2003/48/EC on taxation of savings income Member States are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person within its jurisdiction to an individual resident in another Member State, except that for a transitional period Austria will instead operate a withholding system unless during that period it elects otherwise (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries and territories). The rate of withholding tax is 35%. However, on 10 November 2015 the Council of the European Union adopted the Council Directive (EU) 2060/2015 of 10 November 2015 repealing the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States of the European Union (subject to on-going requirements to

fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The new regime under Council Directive 2011/16/EU (as amended) is in accordance with the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014. Council Directive 2011/16/EU (as amended) is generally broader in scope than the Savings Directive, although it does not impose withholding taxes.

### *Portugal*

Portugal has implemented the above EU Savings Directive on taxation of savings income into the Portuguese law through Decree-Law no. 62/2005, of 11 March 2005, as amended by Law no. 39-A/2005, of 29 July 2005 and Law no. 37/2010, of 2 September 2010. Accordingly, it is expected that Decree-Law no. 62/2005, of 11 March 2005, as amended by Law no. 39-A/2005, of 29 July 2005 and Law no. 37/2010, of 2 September 2010 will be revoked in the near future.

## **UNITED STATES FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and US Treasury regulations promulgated thereunder (together “**FATCA**”) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a “**foreign financial institution**”, or “**FFI**” (as defined by FATCA)) that does not become a “Participating FFI” by entering into an agreement with the U.S. Internal Revenue Service (“**IRS**”) to provide the IRS with certain information in respect of its account holders or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any account holder (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such account holder is a U.S. person or should otherwise be treated as holding a “United States account” (as defined under FATCA) of the Issuer (a “**Recalcitrant Holder**”).

FATCA implementation is being phased in for payments from sources within the United States and is currently proposed to apply to "foreign passthru payments" (a term not yet defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2019. This withholding on foreign passthru payments would potentially apply to payments in respect of (i) any Notes issued or materially modified on or after the "grandfathering date", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term 'foreign passthru payment' are filed with the Federal Register; and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into or announced their intention to enter into intergovernmental agreements to facilitate the implementation of FATCA (each, an “**IGA**”). In some cases such IGAs have been signed; in other cases, negotiations are still ongoing. Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, most FFIs in an IGA signatory country should be treated as a “Reporting Financial Institution” or "Reporting FI" (as defined in the IGA) that would generally not be subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA or agreement with the IRS relating to FATCA) (any such withholding being a “**FATCA Withholding**”) from payments it makes (unless, in certain circumstances, it has agreed to do so under the U.S. "qualified intermediary", "withholding foreign partnership", or "withholding foreign trust" regimes or, in certain limited circumstances, where the payments are made to a Recalcitrant Holder). The Model 2 IGA requires Reporting FIs to apply FATCA Withholding to U.S. source payments in certain circumstances and leaves open the possibility that a Reporting FI might in the future be required to make FATCA Withholdings on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders to its home government or to the IRS unless it is treated as exempt from having “financial accounts” for FATCA purposes.

### *Ireland*

Ireland signed a Model 1 IGA with the United States on 21 December 2012, therefore where the Relevant Issuer is HIIP, HIIP will be required to comply with FATCA under Irish national legislation implementing such IGA. HIIP is an FFI for the purposes of the IGA between Ireland and the United States and has registered with the IRS with registration number DJ6MQR.00002.ME.372. HIIP is required to comply with the requirements of Irish law and regulations implementing such IGA. HIIP will be required to provide certain information in respect of its Noteholders to the Irish tax authorities, which, in turn, will report such information to the IRS.

#### *Portugal*

Portugal signed a Model 1 IGA with the United States on 6 August 2015, therefore where the Relevant Issuer is Haitong Bank acting through its head office, it will be required to comply with FATCA under Portuguese national legislation implementing such IGA. Haitong Bank, acting through its head office, is an FFI for the purposes of the IGA between Portugal and the United States and has registered with the IRS with registration number DJ6MQR.00000.LE.620. Haitong Bank, acting through its head office, is required to comply with the requirements of Portuguese law and regulations implementing such IGA. Haitong Bank, acting through its head office, will be required to provide certain information in respect of its Noteholders to the Portuguese tax authorities, which, in turn, will report such information to the IRS. It is expected that further legislation will be implemented in Portugal in connection with FATCA.

#### *United Kingdom*

The United Kingdom signed a Model 1 IGA with the United States on 12 September 2012, therefore where the Relevant Issuer is Haitong Bank acting through its London branch, it will be required to comply with FATCA under United Kingdom national legislation implementing such IGA. Haitong Bank, acting through its London branch is an FFI for the purposes of the IGA between the United Kingdom and the United States and is registered with the IRS with registration number DJ6MQR.00000.BR.826. Haitong Bank, acting through its London branch, is required to comply with the requirements of United Kingdom law and regulations implementing such IGA. Haitong Bank, acting through its London branch, will be required to provide certain information in respect of its Noteholders to United Kingdom HM Revenue & Customs, which, in turn, will report such information to the IRS.

Each Issuer is currently not expected to be required to make any FATCA Withholdings before 1 January 2019 (at the earliest) from the payments it makes. There can be no assurance, however, that the Issuers would not in the future be required to deduct FATCA Withholding from future payments. Accordingly, the Issuers and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Notes, then, pursuant to the conditions of the Notes, neither the Relevant Issuer nor any paying agent nor any other person would generally be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

In the case of Notes which are in global form and held within Euroclear Bank SA/NV and Clearstream Banking, SA (together, the "ICSDs"), it is not expected that FATCA will affect the amount of any payment received by the ICSDs. Notes may be issued in definitive form and therefore not held, or may be exchanged for Notes in definitive form and therefore may cease to be held, through an ICSD. If this were to happen then, depending on the circumstances, payments to a non-FATCA compliant holder could be subject to FATCA Withholding.

However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA, including any legislation implementing IGAs relating to FATCA, if applicable), and provide each custodian or intermediary with any information, forms,

other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding.

Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Relevant Issuer's obligations under the Notes are discharged once it has paid the common depository for the clearing system (as legal owner of the Notes) and the Relevant Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE ISSUERS AND THE NOTES IS UNCERTAIN AT THIS TIME. THE ABOVE DESCRIPTION IS BASED IN PART ON REGULATIONS, OFFICIAL GUIDANCE AND MODEL IGAS, AND THE IGAS BETWEEN EACH OF IRELAND, PORTUGAL AND THE UNITED KINGDOM WITH THE UNITED STATES, ALL OF WHICH ARE SUBJECT TO CHANGE OR MAY BE IMPLEMENTED IN A MATERIALLY DIFFERENT FORM. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR THE PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCES.

## SUBSCRIPTION AND SALE

Haitong Bank, as Dealer has, in a programme agreement dated 21 June 2016, (as modified and/or supplemented and/or restated from time to time, the “**Programme Agreement**”) agreed with HIIP and Haitong Bank a basis upon which it may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*” above. In the Programme Agreement, HIIP and Haitong Bank have agreed to reimburse the Dealer for certain of their expenses in connection with the issue of Notes under the Programme.

### United States

The Notes have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act. The Dealer has represented that it has offered and sold, and agreed that it will offer and sell, Notes of any Series (1) as part of their distribution at any time and (2) otherwise until 40 days after completion of the distribution of an identifiable tranche of which such Notes are a part, as determined, and certified to the Issuer and the Dealer, by the Agent or, in the case of a syndicated issue, the lead manager, only in accordance with Rule 903 of Regulation S as set forth below. Accordingly, the Dealer has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and shall comply with the offering restrictions requirement of Regulation S. The Dealer and its affiliates has also agreed to notify the Agent or, in the case of a syndicated issue, the lead manager, when it has completed the distribution of its portion of the Notes of any identifiable tranche so that the Agent or, in the case of a syndicated issue, the lead manager may determine the completion of the distribution of all Notes of that tranche and notify the other Relevant Dealers (if applicable) of the end of the distribution compliance period. The Dealer and its affiliates has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of an identifiable tranche of which such Notes are a part, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in this paragraph have the meanings given to them by Regulation S.

The Dealer has represented and agreed, and each further Relevant Dealer will be required to represent and agree, that it has not entered and will not enter into any contractual arrangement with any distributor (as such term is defined in Regulation S) with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the Issuer.

The Dealer has represented and agreed, and each further Relevant Dealer will be required to represent and agree, that neither it nor any of its affiliates (as defined in Rule 501(b) of Regulation D), nor any person acting on its or their behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Notes in the United States.

In addition, unless the Applicable Transaction Terms relating to one or more Tranches specifies that the D Rules (as defined below) are “not applicable”, the Dealer has represented and agreed, and each further Relevant Dealer will be required to represent and agree, in relation to each Tranche of Bearer Notes:

- (a) except to the extent permitted under U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (the “**D Rules**”):
  - it has not offered or sold, and during the restricted period shall not offer or sell, directly or indirectly Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and

- it has not delivered and shall not deliver within the United States or its possessions Definitive Notes in bearer form that are sold during the restricted period;
- (b) it has and agrees that throughout the restricted period it shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (c) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it shall only do so in accordance with the requirements of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(6);
- (d) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations contained in Clauses (a), (b) and (c) of this paragraph on behalf of such affiliate or (ii) agrees that it shall obtain from such affiliate for the benefit of the Issuer the representations contained in Clauses (a), (b) and (c) of this paragraph; and
- (e) it shall obtain for the benefit of the Issuer the representations and agreements contained in Clauses (a), (b), (c) and (d) of this paragraph from any person other than its affiliate with whom it enters into a written contract, as defined in U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D)(4), for the offer or sale during the restricted period of Notes in bearer form.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the D Rules.

Notes in bearer form with a maturity of one year or less may be subject to special rules, which shall be described in the Applicable Transaction Terms.

Each issuance of index-, commodity- or currency-linked Notes shall be subject to such additional U.S. selling restrictions as the Relevant Dealer(s) shall agree with the Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. The Dealer has agreed, and each further Relevant Dealer will be required to agree, that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

#### **Public Offer Selling Restriction under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), the Dealer has represented and agreed, and each further Relevant 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 Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Applicable Transaction 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 Notes to the public in that Relevant Member State:

- (a) *Approved prospectus*: if the Final Terms in relation to the Notes specify that an offer of those Notes 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 Notes 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 Relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) *Qualified investors*: at any time to any person or entity which is a qualified investor as defined in the Prospectus Directive;

- (c) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Relevant Dealer or Dealers nominated by the Relevant Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Relevant Issuer, the Dealer or any Relevant 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 Notes to the public**” in relation to any Notes 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC as amended, including by Directive 2010/73/EU.

### **United Kingdom**

The Dealer has represented and agreed and each further Relevant Dealer appointed under the Programme will be required to represent and agree that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “**FSMA**”) by the Relevant Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Relevant Issuer or (where the Issuer is HIIP) Haitong Bank; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Hong Kong**

The Dealer has represented and agreed, and each further Relevant Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are “structured products” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (a) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to

persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”). Accordingly, the Dealer has represented and agreed and each further Relevant Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **Mainland China**

This Offering Circular does not constitute a public offer of the Notes, whether by sale or subscription, in the People's Republic of China (the “**PRC**”). The Notes are not being offered or sold directly or indirectly in the PRC to or for the benefit of, legal or natural persons of the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Notes or any beneficial interest therein without obtaining all prior PRC's governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of this Offering Circular are required by each Issuer and its representatives to observe these restrictions.

The Dealer represents and agrees, and each further Relevant Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold in the PRC to or for the benefit of legal or natural persons in the PRC.

## **Ireland**

The Dealer has represented and agreed and each further Relevant Dealer appointed under the Programme will be required to represent and agree that:

- (a) it will not underwrite the issue of, or place the Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), and any codes of conduct or rules issued in connection therewith and any conditions, requirements or other enactments imposed or approved by the Central Bank, and the provisions of the Irish Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place the Notes otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 – 2014 (as amended) and any codes of practice made under section 117(1) of the Irish Central Bank Act 1989 or any regulation made pursuant to Part 8 of the Irish Central Bank (Supervision and Enforcement) Act of 2013 (as amended);
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended), the Irish Companies Act, 2014, and any rules issued under section 1363 of the Irish Companies Act, 2014, by the Central Bank;
- (d) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under section 1370 of the Irish Companies Act, 2014, by the Central Bank; and
- (e) It will ensure that no Notes will be offered or sold with a maturity of less than 12 months except in full compliance with Notice BSD C 01/02 issued by the Central Bank.

## Portugal

The Dealer has represented and agreed that:

- (i) it has not, directly or indirectly, advertised, offered, distributed, submitted to an investment intentions gathering procedure or sold and will not, directly or indirectly, advertise, offer, distribute, submit to an investment intentions gathering procedure or sell the Notes other than in compliance with the Portuguese Securities Code (*Código dos Valores Mobiliários*, the “PSC”) and any applicable regulations issued by Comissão do Mercado de Valores Mobiliários (Portuguese Securities Market Commission, the “CMVM”).
- (ii) it shall comply with all applicable laws and regulations in force in Portugal and with the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended from time to time) on the prospectus to be published when securities are offered to the public or admitted to trading, regarding the placement of any Notes in the Portuguese jurisdiction or to any entities which are resident in Portugal, including the publication of a Prospectus, when applicable, or commencing a prospectus recognition procedure with the CMVM, and/or filing with the CMVM and disclosing to investors a Key Investor Information Document under the applicable Portuguese regulatory provisions, namely CMVM Regulation no. 2/2012 (or any CMVM regulation superseding it or replacing it) on complex financial products, when applicable, and that such placement shall only be authorised and performed to the extent that there is full compliance with such laws and regulations.

The private placement in Portugal or with Portuguese residents of Notes is subject to subsequent notification to the CMVM for statistical purposes.

## General

The Dealer has agreed and each further Relevant Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Relevant Issuer nor the Dealer or any other Relevant Dealer appointed under the Programme shall have any responsibility therefor.

Neither the Relevant Issuer nor the Dealer or any of the Relevant Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the Dealer and any Relevant Dealer will be required to comply with such other additional restrictions as the Relevant Issuer, the Dealer and the Relevant Dealer shall agree and as shall be set out in the Applicable Transaction Terms and/or Subscription Agreement and/or Dealer Accession Letter, as applicable.

The Dealer and its affiliates have engaged, and the Dealer and any Relevant Dealers may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealer and any Relevant Dealer and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer’s affiliates. The Dealer and any Relevant Dealer or their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Dealer and any Relevant Dealer and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealer and any Relevant Dealers and their affiliates may also make investment recommendations and/or publish or express independent

research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## GENERAL INFORMATION

### Authorisation

The update of the Programme, the entering into of the Keep Well Agreement and the issue of Notes has been duly authorised by a resolution of the Executive Committee of HIIP dated 26 April 2016 and a resolution of the Executive Committee of Haitong Bank dated 20 June 2016.

### Listing of Notes

Application has been made for the listing and admission to trading of Notes on the regulated market of the Irish Stock Exchange.

In addition, application may be made for the listing and admission to trading of Notes on the regulated market of the London Stock Exchange and on the regulated market of NYSE Euronext Lisbon.

However, Notes may be issued pursuant to the Programme which will not be admitted to listing on the Irish Stock Exchange, the London Stock Exchange, the NYSE Euronext Lisbon or any other listing authority, stock exchange or quotation system or which will be admitted to listing, trading or quotation on such listing authority, stock exchange or quotation system as the Relevant Issuer, the Dealer and any Relevant Dealer(s) may agree.

### Documents Available

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available for inspection, in physical and electronic form, from the registered office of each of HIIP and Haitong Bank and from the specified office of the Agent in London and the Paying Agent in Ireland:

- (i) the constitutional documents of HIIP and the constitutional documents (with an English translation thereof) of Haitong Bank;
- (ii) the auditors' report and the audited consolidated annual financial statements of Haitong Bank in respect of the financial years ended 31 December 2013, 31 December 2014 and 31 December 2015 (with an English translation thereof);
- (iii) the auditors' report and the audited annual financial statements of HIIP in respect of the years ended 31 December 2013, 31 December 2014 and 31 December 2015;
- (iv) the "*Terms and Conditions of the Notes*" section from each of the Offering Circulars published by the Issuers and dated 28 November 2002, 5 December 2003, 6 December 2004, 22 November 2005, 29 September 2006, 25 July 2007, 25 July 2008, 27 July 2009, 21 July 2010, 2 August 2011, 29 June 2012, 8 July 2013 and 30 March 2015;
- (v) the most recently published unaudited interim financial statements (if any) of Haitong Bank and HIIP (with an English translation thereof), in each case together with any audit or review reports prepared in connection therewith;
- (vi) the Programme Agreement, the Agency Agreement and the Trust Deed which contains the forms of the Temporary Global Notes, the Permanent Global Notes, the Registered Certificates, the Global Certificates, the Definitive Notes, the Receipts, the Coupons and the Talons, and the Keep Well Agreement;
- (vii) a copy of this Offering Circular;
- (viii) any future Offering Circulars, prospectuses, information memoranda and supplements, including Final Terms for Notes that are listed on the Irish Stock Exchange or on the London Stock Exchange or on NYSE Euronext Lisbon and admitted to trading by the Irish Stock Exchange or the London Stock Exchange or the NYSE Euronext Lisbon (save that the Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European

Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Relevant Issuer or the Agent, as the case may be, as to its holding and identity) to this Offering Circular and any other documents incorporated herein or therein by reference; and

- (ix) each subscription agreement (or equivalent document) for Notes that are admitted to trading on the Irish Stock Exchange's Official List or the regulated market of the London Stock Exchange or the regulated market of NYSE Euronext Lisbon.

### **Clearing Systems**

The Notes (other than Interbolsa Notes) have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records in respect of such Notes). The appropriate Common Code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the relevant Applicable Transaction Terms. The Interbolsa Notes will be cleared through LHC Clearnet, S.A., the clearing system operated at Interbolsa; the appropriate ISIN Code for each Tranche of Interbolsa Notes will be specified in the Applicable Transaction Terms. At the date hereof Interbolsa only accepts to clear notes denominated in euro, U.S. dollars, Sterling, Yen and Swiss Francs. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the relevant Applicable Transaction Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

The address of Interbolsa is Av. da Boavista, no. 3433, 4100-138 Porto, Portugal.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Relevant Issuer and the Dealer or any Relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **Significant or Material Change**

There has been no significant change in the financial or trading position and no material adverse change in the prospects of HIIP or Haitong Bank and its subsidiaries since 31 December 2015, the date of the last published audited annual consolidated accounts of HIIP and Haitong Bank and/or its subsidiaries.

### **Litigation**

Except as stated below, neither HIIP, Haitong Bank nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which HIIP or Haitong Bank are aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of HIIP or Haitong Bank.

As per the Auditor's Report and Audited Consolidated Statutory Financial Statements of Haitong Bank for the year ended on 31 December 2015:

*“During 2015, Banco Espírito Santo (“BES”), Novo Banco and Haitong Bank (and in some cases, also the supervisory authorities and auditors), were defendants in civil legal proceedings related with facts of the former Grupo Espírito Santo (“GES”).*

*In this context, Haitong Bank is defendant in two proceedings related with the last capital increase of BES, and in 8 proceedings related with commercial paper issues of GES entities (Rioforte and ESI – Espírito Santo International), received in the courts in 2015. In 2016, 8 more proceedings entered in courts, 6 of them related with commercial paper issues and 2 referring to notes issues by Haitong Bank branch in Ireland (then ESIP) that had as underlying asset the bonds issued by Espírito Santo Financial Portugal (ESFP).*

*It is opinion of Haitong Bank's Legal Department and external lawyers to whom the proceedings were entrusted, that they do not have legal sustainability, and therefore any condemnation of Haitong Bank in those processes is considered as improbable.*

*Thus, and referring to the last BES capital increase, the 2 legal proceedings above mentioned were intended against a large set of entities, namely against all former BES directors and auditors, arguing that the capital increase Prospectus, published in 20<sup>th</sup> May 2014, did not reflect the real financial situation of BES. Haitong Bank (then as BESI) was the financial mediator assigned to assist the public offer, so that the authors of this legal proceeding claim for their responsibility by the information included in the Prospectus in accordance with the terms of the Portuguese Securities Market Code.*

*Following the detailed analysis of this issue by the respective departments of Haitong Bank and by its external lawyers, it was concluded that the substantial loss in the value of BES shares, observed during July 2014, and up to its resolution as at 03/08/2014, was due to facts occurred after the capital increase, and that could not be referred in the Prospectus by that time. It was further concluded that the Prospectus did not contained lacks of information, being very incisive in the description of the underlying GES risks, namely in the section related with considerable failures in ESI accounting records.*

*Regarding GES commercial paper issues, is true that BESI acted as administrative agent of those issues, having submitted them to the Central Securities Institution, and paying agent, being responsible for the interest and equity payments in favour of those securities owners ( in the assumption that would receive from the issuer, the necessary funds for the effect). However, this issues were object of private offer, but BESI was not involved in their distribution neither involved in the contacts with the investors. The respective notes regarding this subject are unequivocally when referring that the responsibility contained in them is the sole responsibility of the Issuers.*

*As for the two mentioned proceedings related with ESIP issues, it should be noted that these refer to credit linked notes, with compensation and reimbursement dependent of facts (namely, the insolvency) associated to the issuer of the underlying asset, in this case ESFP that was declared as insolvent, in which case investors should receive the underlying asset or the proceeds of sale. The conditions of this issues are clearly set out in their disclosed documents, and BESI did not proceed to the placement of these issues next to investors.*

*Finally, it should be noted that, in some of these legal actions, there is an argument regarding the existence of common directors between BES and GES and then BESI. The argument is legally unfunded, because (i) in any case, any director of BES or GES, which was also director of BESI, provided to this entity any information related with GES that was contradictory to the information disclosed in BES capital increase Prospectus or in the disclosed documents associated to the referred commercial paper issues or credit linked notes; and also because (ii) the legal persons are only responsible for its directors acts or omissions when performed in the exercise of their management functions, and naturally, the potential knowledge of material information by a person, that had acquired it while GES director or in face of their family relationships, cannot be imputable to BESI, simply because that person is its director.*

*For these reasons, is considered that Haitong Bank should not, or cannot, in obedience to rules and to accounting principles which is governed by, constitute any provision resulting from the existence of the above referred legal proceedings”.*

## **Auditors**

The auditors of HIIP are KPMG (members of the Institute of Chartered Accountants in Ireland) who have audited HIIP's accounts, without qualification, in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board for each of the two years ended on 31 December 2014 and 31 December 2015.

The auditors of HIIP have given, and have not withdrawn, in writing, their consent to (i) the incorporation by reference into the Offering Circular of their auditors' reports for the financial years ended on 31 December 2014 and 2015, and (ii) the references in this Offering Circular to their name, in the form and context in which it appears, and have authorised those parts of the Offering Circular for the purposes of section 1353 of Companies Act, 2014, of Ireland.

The auditors of Haitong Bank for statutory and stockmarket reporting purposes are Amável Calhau, Ribeiro da Cunha e Associados, who have audited Haitong Bank's accounts, without qualification, in accordance with generally accepted auditing standards in Portugal for each of the two years ended on 31 December 2014 and 31 December 2015. Amável Calhau, Ribeiro da Cunha e Associados are members of Haitong Bank's Audit

Committee, are in the list of the Statutory Auditors with number 19 (Companies), registered in the Register of Chartered Accountants Bar.

Auditors registered at CMVM under number 319 are Member Advisers of Portuguese non regulated stock exchange Pex, and are managed by the company Opex since 2003, and are members of Kreston International Limited (since 1998). Kreston is a worldwide network of accounting and audit companies established in 1971 with its head-office in the United Kingdom and with members in 72 countries.

The auditors of Haitong Bank are KPMG Auditors (Chartered Accountants), who have audited Haitong Bank's accounts, without qualification, in accordance with the Technical Standards and Guidelines issued by the Portuguese Institute of Statutory Auditors for each of the two years ended on 31 December 2014 and 31 December 2015. KPMG Auditors are members of the Portuguese Institute of Statutory Auditors (No. 189) and are registered as an Auditor with the CMVM (the Portuguese Securities Market Commission) (No. 9093).

The Trust Deed provides that any certificate or report of the auditors of the Relevant Issuer or (where the Relevant Issuer is HIIP) Haitong Bank or any other person called for by or provided to the Trustee in accordance with or for the purposes of the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts stated therein whether or not such certificate or report and/or any engagement letter or other document entered into by the Trustee in connection therewith contains a monetary or other limit on the liability of such auditors or such other person in respect thereof.]

#### **Material contracts**

There are no material contracts having been entered into outside the ordinary course of the business of HIIP or Haitong Bank and which could result in any group member being under an obligation or entitlement that is material to the ability of HIIP or Haitong Bank to meet its obligations to holders of Notes.

Save as provided in the Applicable Transaction Terms, so far as the Relevant Issuer is aware, no person involved in the offer of Notes has an interest material to the offer.

#### **Post-issuance information**

Neither HIIP nor Haitong Bank intends to provide any post-issuance information in relation to any issues of Note.

#### **Section 340 of the Companies Act, 2014 of Ireland**

The financial information in relation to HIIP contained in this document does not constitute statutory financial statements within the meaning of Section 340 of the Companies Act, 2014 of Ireland. Statutory financial statements of HIIP have been prepared for each financial year to which the financial information relates and the auditors have given unqualified reports on such financial statements which have been annexed to the relevant annual returns delivered to the Registrar of Companies in Ireland.

#### **Websites**

No website referred to in this Offering Circular forms part of this Offering Circular.

**REGISTERED OFFICE OF HIIP**

**Haitong Investment Ireland p.l.c.**

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**REGISTERED OFFICE OF Haitong Bank**

**Haitong Bank, S.A.**

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*To Haitong Bank  
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