

# Structured Products Termsheet

## Indicative Terms

11 October 2010

### 80% Participating Notes due 2020 with Formulaic Dynamic Asset Allocation in EUR on Mutual Funds Basket

17 December 2010 until 22 December 2020

|                                  |  |
|----------------------------------|--|
| <b>Risk Category</b>             | <p>Complex Product</p> <p>Complex Products require specific knowledge on the part of the investor regarding the product and the risks associated therewith. It is recommended that the investor obtains adequate information regarding the risks associated with the specific product before making an investment decision.</p>  |
| <b>Product Category</b>          | <p>Participating Note, according to the Swiss Derivative Map <a href="http://www.svsp-verband.ch">www.svsp-verband.ch</a></p> <p>Participating Notes with Formulaic Dynamic Asset Allocation (the "Notes") are structured financial instruments with embedded derivatives, offering a continuous 80% minimum redemption (subject to secondary market spread) and, simultaneously, enabling the investor to participate in a percentage of a potentially positive development of the underlying Mutual Funds basket above the protection level. On the Redemption Date, the investor will receive the greater between the Bond Floor and the Reference Portfolio Value. The Reference Portfolio Value is dependent on the development of the underlying Mutual Funds basket</p> <p>For information on the product risks, see Page 3 and following hereof.</p> |
| <b>Brief Product Description</b> | <p>A Participating Note with Formulaic Dynamic Asset Allocation is a structured derivative which represents a defensive alternative to a direct investment in the underlying. The product is particularly suitable for you if you expect a positive performance of the underlying Mutual Funds basket.</p> <p>With this Participating Note with Formulaic Dynamic Asset Allocation you participate 100% in the positive performance of a Reference Portfolio, which allocates formulaically between a Mutual Funds basket (the 'Basket' or the 'Asset') and EONIA compounded, subject to a fee of 1.80% p.a..</p> <p>Moreover, the capital is protected at 80% of the highest Reference Portfolio observed on a weekly basis during the life of the product by the Issuer at maturity.</p>   |

| Security Codes             | Swiss Security No.  | ISIN         |
|----------------------------|---|--------------|
|                            | 11'288'147  | XS0508554069 |
| <b>Issuer</b>              | CREDIT SUISSE INTERNATIONAL ("CSi"), a bank incorporated in London, the United Kingdom (A+ Standard & Poor's, Aa1 Moody's, AA- Fitch IBCA Inc.) |              |
| <b>Calculation Agent</b>   | CSi, London   |              |
| <b>Hedging Entity</b>      | CSi, London   |              |
| <b>Paying Agent</b>        | BANK OF NEW YORK MELLON, London   |              |
| <b>Issue Size</b>          | [EUR 20,000,000] (may be increased or decreased at any time)  |              |
| <b>Denomination</b>        | EUR 1,000 ("Nominal")   |              |
| <b>Issue Price</b>         | 100% of the Denomination  |              |
| <b>Subscription Period</b> | Until 15 December 2010, 12:00 CET   |              |

**Minimum Subscription Lot**

[1] Note(s)

**Trade Date**

16 December 2010

**Minimum Trading Lot**

[1] Note(s)

**Underlying**

The Basket of Mutual Funds (the '**Asset**' or the '**Basket**') as set out in the table below:

| <b>I</b> | <b>Asset Component Name</b>         | <b>Ticker</b> | <b>Currency</b> | <b>Weight on Rebalancing Date( <math>w_i^{trb}</math> )</b> | <b>Initial Fixing Levels</b> |
|----------|-------------------------------------|---------------|-----------------|---|------------------------------|
| 1        | Blackrock World Gold Fund           | MIGGMFX LX    | EUR             | 10%   |                              |
| 2        | Tricolore Rendement                 | TRICREC FP    | EUR             | 8%  |                              |
| 3        | Carmignac Investissement            | CARINVT FP    | EUR             | 8%  |                              |
| 4        | Oyster European Opportunities       | OYSQUGR LX    | EUR             | 8%  |                              |
| 5        | SGAM Index European Government Bond | SGEURGV LX    | EUR             | 30%   |                              |
| 6        | Generali Tresorerie                 | GENTRSR FP    | EUR             | 20%   |                              |
| 7        | Carmignac Patrimoine                | CARMPAT FP    | EUR             | 16%   |                              |
|          |                                     |               |                 | 100%  |                              |

The assets comprised in the Basket (each, an '**Asset Component**', collectively, '**Asset Components**') may be changed post Issue Date pursuant to the Fund Inclusion Conditions, Fund Substitution Events and Fund Adjustment Events provisions set out at the end of this Termsheet.

**Initial Valuation Date**

22 December 2010, being the date on which the Initial Fixing Levels will be fixed.

**Initial Fixing Levels**

In respect of Asset Component 'i' the level indicated in the table above.

(100% of the official closing level of each Asset Component on the Initial Fixing Level Date)

**Issue Date / Payment Date**

17 December 2010, being the date on which the Notes are issued and on which date payment has to be made, if and when these are issued.

**Last Trading Date**

11 December 2020

**Final Fixing Date**

15 December 2020

**Redemption Date / Maturity Date**

22 December 2020, being the date on which the Final Redemption Amount will be paid.

**Minimum Redemption**

80% of the highest Reference Portfolio Value observed on a weekly basis

**Final Redemption**

Each Note will be redeemed on the Maturity Date at a EUR amount equal to Denomination

|   |  |
|---|--|
| <b>Amount</b>                             | <p>multiplied by:</p> <p>Max [ Reference Portfolio Value (Final) , Bond Floor (Final) ]</p> <p>Where:</p> <p>"Reference Portfolio Value (Final)" means Reference Portfolio Value (t) where "t" is the Final Valuation Date;</p> <p>"Reference Portfolio Value (t)" is as defined in Reference Portfolio Characteristics.</p> <p>"Bond Floor (Final)" means Bond Floor (t) where "t" is the Final Valuation Date;</p> <p>"Bond Floor (t)" is as defined in Reference Portfolio Characteristics.</p> <p>For a more detailed explanation on redemption scenarios including calculation examples, please contact your relationship manager or see the Swiss Derivatives Map on <a href="http://www.svsp-verband.ch">www.svsp-verband.ch</a> for payout diagrams.</p>   |
| <b>Valuation Days</b>                     | The Initial Fixing Date, the Final Fixing Date and from the Initial Fixing Date to the Final Fixing Date   |
| <b>Payment Business Day</b>               | London and TARGET  |
| <b>Calculation Business Day</b>           | London and Fund Business Day   |
| <b>Fund Business Day</b>                  | In respect of a Fund a day that is classified as a day on which such Fund will effect subscriptions and redemption requests in relation to units in such Fund and/or any day that is a day for which the Administrator or Fund Manager shall calculate a Fund Value in accordance with that Fund's Prospectus  |
| <b>Fund Value</b>                         | In respect of a Fund, the Official Net Asset Value or Official Unit Price published by the Administrator or Fund Manager or as published by the exchange on which the Fund is listed   |
| <b>Entitlement</b>                        | <p>Each Note entitles its holder to receive on the Redemption / Maturity Date the Final Redemption Amount, which depends on the performance of the Asset over the lifetime of the Note.</p> <p>There will be no coupon or other periodic payment during the lifetime / term of the Note.</p>   |
| <b>Trading / Listing</b>                  | The Notes are traded in percentage and booked as a Nominal amount. CSI provides a daily secondary market under normal market conditions, subject to a bid/offer spread of 2% and a notice of 3 Calculation Business Days. An application to list the Notes on Euroclear Amsterdam will be made.  |
| <b>Clearing/Settlement</b>                | Euroclear Bank S.A. and Clearstream Banking  |
| <b>Publication</b>                        | <p>The fixed Termsheet and all material changes during the lifetime of the Notes may be obtained from your relationship manager upon request and will also be published on:</p> <p><a href="http://www.credit-suisse.com/derivatives">www.credit-suisse.com/derivatives</a></p> <p>Modifications regarding the composition of the funds or indices or changes in the formula or method of calculation of the funds or indices will generally not be published.</p>   |
| <b>Documentation</b>                      | <p>A Summary and Securities Note dated 19 July 2010, which, together with a registration document containing information on the Issuer, comprise a prospectus (the "<b>Prospectus</b>").</p> <p>The fixed Termsheet shall include the information required for a simplified prospectus pursuant to Article 5 of the Federal Act on Collective Investment Schemes. Until the terms are fixed, they are indicative and may, therefore, be amended. The information contained in the simplified prospectus is of summary nature. Following the Issue Date, the full terms of the Notes and additional product documentation may be obtained directly from Credit Suisse International, VHFE 111, FLP New Transactions Group, One Cabot Square, London E14 4QJ, Great Britain or from CREDIT SUISSE AG, VXBP 131, Fund Linked Products, Uetlibergstr. 231, 8070 Zurich, Switzerland.</p> |
| <b>Form of the Notes</b>                  | The Notes will be represented by a permanent global security which will be deposited at Euroclear Bank S.A. and Clearstream Banking. Holders of the Notes do not have the right to request physical delivery of individual Notes.  |
| <b>Costs and Fees during the Lifetime</b> | The Fund Value is published net of the customary fees charged by the investment manager (which may include the Issuer or one of its affiliates) of the Fund.   |
| <b>Distribution Fee</b>                   | <p>Credit Suisse International may pay a fee of up to 3.0% upfront of the initial executed notional and 0.80% p.a. running fee of the notional of executed transactions to the distributor.</p> <p>Please contact CSI for further information regarding the fee</p>  |
| <b>Governing Law /</b>                    | English Law / English Courts   |

## Jurisdiction

### Tax Considerations

The following statements and discussions of certain Swiss tax considerations relevant to the purchase, ownership and disposition of the Notes are of a general nature only and do not address all potential tax consequences of an investment in the Notes under Swiss law. This summary is based on treaties, laws, regulations, rulings and decisions currently in effect, all of which are subject to change. **It does not address the tax consequences of the Notes in any jurisdiction other than Switzerland.**

Tax treatment depends on the individual tax situation of each investor and may be subject to change.

Potential investors will, therefore, need to consult their own tax advisors to determine the special tax consequences of the purchase, ownership and sale or other disposition of a Note. In particular, the precise tax treatment of a holder of a Note needs to be determined for each issue with reference to the full terms of the Notes under the law and practice at the relevant time.

The investors shall be liable for all current and future taxes and duties as a consequence of an investment in Notes. The income tax treatment as depicted below is applicable to individual persons with tax residence in Switzerland and private assets. Swiss withholding tax and Swiss stamp taxes are applicable to all investors; however, specific rules apply with respect to certain types of investors and transactions.

No Swiss withholding tax, no Swiss stamp tax at issuance (primary market) of the Notes. However, secondary market transactions are subject to Swiss securities transfer stamp tax (0.15%) for Swiss resident investors. TK-Code 22

The difference between the Minimum Redemption (80%) and its present value (Bondfloor = [TBC]%, IRR = [TBC]%) is subject to income tax for Swiss resident private investors.

*This product classifies as transparent, IUP (Interest Unique Predominant).*

This product is not subject to EU withholding tax for Swiss paying agents. TK-Code 2; "out of scope"

Credit Suisse expressly excludes all liability in respect of any tax implications.

### Issuer Risk

The investment product's retention of value is dependent not only on the development of the value of the Underlying, but also on the creditworthiness of the Issuer, which may change over the term of the investment product. This investment product is a direct, unsubordinated, unconditional and unsecured obligation of the Issuer and ranks equally with all other direct, unconditional and unsecured obligations of the Issuer. The Issuer is incorporated in England and Wales under the Companies Act 1985 and is an English Bank regulated as an EU credit institution by The Financial Services Authority (FSA) under the Financial Services and Markets Act 2000.

### Product Risks

**Potential Loss:** Depending on the performance or the volatility of the Basket, the yield of the investment might be lower than the prevailing interest rate.

Participating Notes are derivative financial instruments. An investment in these Notes is protected at a certain level during its lifetime.

Owning the Notes is not the same as owning the Underlying. Accordingly, changes in the market value of the Underlying may not result in a comparable change in the market value of the Notes.

**Currency Risk:** The investor may be exposed to currency risks, because (i) the underlying assets of the investment product are denominated in other currencies than the nominal of the investment product or (ii) the investment product is denominated in another currency than that of the country in which the investor is resident. The value of the investment may therefore increase or decrease, based on currency fluctuations.

**Liquidity Risk:** A liquid secondary market for this product is not guaranteed. CSi will endeavor to provide a secondary market, but is under no legal obligation to do so. Upon investor demand CSi will provide bid/offer prices for the Notes, depending on actual market conditions. There will be a price difference between bid and offer prices (spread).

The Notes will not be listed on any securities exchange. Because other dealers are not likely to make a secondary market for the Notes, the price at which the investor may be able to trade the Notes is likely to depend on the price, if any, at which the Issuer is willing to buy the Notes.

**Emerging markets:** This investment product includes investments in Emerging Markets. Emerging Markets are located in countries that possess one or more of the following characteristics: A certain degree of political instability, relatively unpredictable financial markets and economic growth patterns, a financial market that is still at the development stage or a weak economy. Emerging markets investments usually result in higher risks such as political risks, economical risks, credit risks, exchange rate risks, market liquidity risks, legal risks, settlement risks, market risks, shareholder risk and creditor risk.

**Pricing: Certain built-in costs are likely to adversely affect the value of the Notes prior to maturity.** The price, if any, at which the Issuer will be willing to purchase Notes from the investor in secondary market transactions, if at all, will likely be lower than the original issue price and any sale prior to maturity could result in a substantial loss to the investor.

CSi will act as the Calculation Agent. The Calculation Agent will determine, among other things, the Initial Fixing Level, the official closing level on an Observation Date i, the Compounded Performance, the Payout, anti-dilution adjustments and the amount the Issuer will pay the investor at maturity. The Calculation Agent will also be responsible for determining whether certain events as described in the

Appendix have occurred. In performing these duties, CSI may have interests adverse to the interests of the holders of the Notes, which may affect the investor's return on the Notes, particularly where CSI as the Calculation Agent, is entitled to exercise discretion. Any of these activities could adversely affect the Issuer's payment to the investor at maturity.

General: The Issuer cannot assure the investor that the public information provided on the issuers of the Underlying is accurate or complete.

The Issuer and its affiliates may trade the Underlying and other financial instruments related to the Underlying on a regular basis, for their accounts and for other accounts under their management. To the extent that the Issuer or one of its affiliates serves as issuer, agent or underwriter for such securities or financial instruments, the Issuer's or its affiliates' interests with respect to such products may be adverse to those of the holders of the Notes.

Any hypothetical returns, if applicable, should not be viewed as an indication or prediction of future investment results.

Historical performance of the Underlying. The Issuer may provide historical price information on the Underlying. The investor should not take any such historical prices as an indication of future performance.

**This risk disclosure notice cannot disclose all the risks. The Investor should, therefore, consult the full terms and the "Special Risks in Securities Trading" (2008) risk disclosure brochure (which is available on the Swiss Bankers Association's website: [www.swissbanking.org/en/home/shop.htm](http://www.swissbanking.org/en/home/shop.htm) or may be obtained from your relationship manager upon request).**

## Important Notices

By entering into a transaction with the Issuer or any of its affiliates, the investor acknowledges having read and understood the following terms:

The Issuer is acting solely as an arm's length contractual counterparty and neither the Issuer nor any affiliate is acting as the financial adviser or fiduciary of the investor unless it has agreed to do so in writing.

This document is issued solely for information purposes and for the recipient's sole use. It does not constitute an offer or invitation to enter into any type of financial transaction. The Issuer has no obligation to issue this investment product. The information and views contained in this document are those of the Issuer and/or are derived from sources believed to be reliable. This **document constitutes Marketing Material** and is not the result of a financial analysis and, therefore, not subject to the "Directives on the Independence of Financial Research" (Swiss Bankers Association). The content of this document, therefore, does not fulfill the legal requirements for the independence of financial analyses and there is no restriction on trading prior to publication of financial research.

This investment product does not constitute a participation in a collective investment scheme. Therefore, it is not supervised by the Swiss Financial Market Supervisory Authority "FINMA" and the investor does not benefit from the specific investor protection provided under the Federal Act on Collective Investment Schemes. The prospectus requirements of Art. 652a / Art. 1156 of the Swiss Code of Obligations are not applicable.

**In connection with this transaction, the Issuer and/or its affiliates may pay to third parties, or receive from third parties as part of their compensation or otherwise, one-time or recurring remunerations** (e.g. placement or holding fees). In receiving payments by third parties, the Issuer's and/or its affiliates' interests may be adverse to those of the holders of this investment product and such payments could therefore adversely affect the investor's return on the investment product. Further information may be requested from your bank / relationship manager.

Where not explicitly otherwise stated, the Issuer has no duty to invest in the underlying assets and investors have no recourse to the underlying assets or to any payouts on the underlying assets. The price of the investment product will reflect the customary fees and costs charged on the level of the underlying assets (e.g. index calculation fees, management fees, administration fees). Certain built-in costs are likely to adversely affect the value of the investment product prior to maturity.

This investment product is a complex structured financial instrument and involves a high degree of risk. It is intended only for investors who understand and are capable of assuming all risks involved. Before entering into any transaction, an investor should determine if this product suits his or her particular circumstances and should independently assess (with his or her professional advisers) the specific risks (maximum loss, currency risks, etc.) and the legal, regulatory, credit, tax and accounting consequences. The Issuer makes no representation as to the suitability or appropriateness of this investment product for any particular investor or as to the future performance of this investment product. This document does not replace a personal conversation with your relationship manager, which is recommended by the bank before the investment decision. Please request your relationship manager to provide you with any available, additional information regarding this investment product such as the full terms or the fact sheet.

Historical data on the performance of the investment product or the Underlying assets is no indication of future performance. No representation or warranty is made that any indicative performance or return indicated will be achieved in the future. Neither this document nor any copy thereof may be sent, taken into or distributed in the United States or to any U. S. person or in any other jurisdiction except under circumstances that will result in compliance with the applicable laws thereof. This document may not be reproduced either in whole or in part, without the written permission of the Issuer.

Please read the full terms for a fuller disclosure of Product Risks and Important Notices that you should consider in making your investment decision.

## **Selling Restrictions**

### **General**

Any Notes purchased by any person may not be offered or sold or any offering materials relating thereto distributed in any country or jurisdiction, unless the offeror has complied and will comply with all applicable laws and regulations in such country or jurisdiction.

### **U.S.A. and U.S. Persons**

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons.

### **United Kingdom**

Credit Suisse has represented and agreed that: (a) 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 the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### **European Economic Area**

The Notes may not be offered to the public in any jurisdiction in circumstances which would require the Issuer of the Notes to prepare or register any further prospectus or offering document relating to the Notes in such jurisdiction, in particular where the Issuer would be required to do so under the EU Directive 2003/71 concerning prospectuses to be published when securities are offered to the public or admitted to trading in the European Economic Area (the Prospectus Directive) or any legislative, regulation or other measure implementing the Prospectus Directive.

# Appendix

## Reference Portfolio Characteristics

|                                      |   |
|--------------------------------------|---|
| <b>Reference Portfolio</b>           | The Reference Portfolio shall consist of the Asset and the Fixed Income Portfolio in proportions determined by the formulaic dynamic asset allocation mechanism described under Rebalancing Process.  |
| <b>Asset</b>                         | A notional investment in shares or units of the basket of Asset Components set forth in the Asset Terms. <b>"Asset Value (t)"</b> shall mean the Asset Value calculated for Valuation Day (t).  |
| <b>FIP Value</b>                     | <p>For Valuation Day (t) falling on the Initial Valuation Date, FIP Value (t) shall equal 100%.</p> <p>Thereafter, FIP Value (t) for each Valuation Day (t) will be determined as follows:</p> $\text{FIP Value}(t) = \text{FIP Value}(t-1) \times \left( 1 + \text{EONIA}_{t-1} \times \frac{n_t}{360} \right)$ <p><b>"EONIA<sub>t-1</sub>"</b> means in respect of a Valuation Day 't', the overnight rate for deposits as displayed on Reuters page EONIA on the immediately preceding Valuation Day. If such rate is not available, the rate will be determined by the Calculation Agent, acting reasonably, from prevailing swap market rates; and</p> <p><b>"FIP Value(t-1)"</b> means the FIP Value as of Valuation Day (t-1)</p>  |
| <b>Reference Portfolio Value (t)</b> | <p>On the Initial Valuation Date, Reference Portfolio Value (t) is equal to 97.5%</p> <p>Thereafter, Reference Portfolio Value (t) for each Valuation Day (t) will be determined as follows:</p> $\text{Reference Portfolio Value}(t) = \text{Reference Portfolio Value}(t-1) \times \left( 1 - \text{Portfolio Fee} \times \frac{n_t}{360} \right) \times \left[ W_{t-1} \times \frac{\text{Asset Value}(t)}{\text{Asset Value}(t-1)} + (1 - W_{t-1}) \times \frac{\text{FIP Value}(t)}{\text{FIP Value}(t-1)} \right]$ <p><b>Where:</b></p> <p><b>"Asset Value (t)"</b> means the Asset Value calculated for Valuation Day 't' as described in the Asset Terms;</p> <p><b>"Portfolio Fee"</b> means 1.8%; (resettable every 3 years, subject to a maximum of 2.5%)</p> <p><b>"W<sub>t-1</sub>"</b> means the percentage allocation of the Reference Portfolio to the Asset (<b>"Asset Weight"</b>) on the Valuation Day immediately preceding Valuation Day (t) (<b>"Valuation Day (t-1)"</b>);</p> <p><b>"n<sub>t</sub>"</b> means the number of calendar days from (and excluding) Valuation Day (t-1) to (and including) Valuation Day (t); and</p> <p><b>"Reference Portfolio Value (t-1)"</b> means the Reference Portfolio Value as of the Valuation Day (t-1).</p> |

# Rebalancing Process

## Reference Portfolio Rebalancing Event

A Reference Portfolio Rebalancing Event occurs on any Valuation Day (t) (a “**Reference Portfolio Rebalancing Event Date**”) on which the Asset Weight differs from the Target Exposure to the extent that either:

$$W_t > (\text{Target Exposure}(t) + \text{Deleverage Band}), \text{ or } W_t < (\text{Target Exposure}(t) - \text{Leverage Band});$$

in which case the Asset Weight on the second Valuation Day (the “**Reference Portfolio Rebalancing Effective Date**”) following such Valuation Day (t),  $W_{t+\text{lag}}$ , will be adjusted to equal Target Exposure (t).

$$\text{Otherwise, } W_{t+\text{lag}} = W_{t+\text{lag}-1};$$

**Where:**

“**lag**” means 2;

“**Deleverage Band**” means 5%;

“**Leverage Band**” means 5%;

**$W_0 = W_1$  means** approx. 80.77%;

(t = 0) means the Initial Valuation Date; and

(t = 1) means the Valuation Day immediately following the Initial Valuation Date.

## Target Exposure

The Target Exposure of the Reference Portfolio to the Asset on Valuation Day (t) is determined as follows:

$$\text{Target Exposure}(t) = \text{Max} \left[ \text{Min Exposure}, \left( \frac{\text{Reference Portfolio Value}(t) - \text{Bond Floor}(t)}{\text{Reference Portfolio Value}(t)} \right) \times \text{Multiplier} \right]$$

**Where:**

“**Multiplier**” means 4.5;

“**Min Exposure**” means 0%; and

“**Bond Floor (t)**” is as defined below.



**Bond Floor**

On any Valuation Day 't', Bond Floor (t) is equal to:

- 80% where 't' is the Initial Valuation Date;
- $\text{Max} [\text{Protection Level} \times \text{Reference Portfolio Value (t)}, \text{Bond Floor (t-1)}]$ , where 't' is a Lock In Date
- Bond Floor (t-1), otherwise

**"Protection Level"** means 80%;

**"Bond Floor (t-1)"** means the Bond Floor level on the Valuation Day immediately preceding Valuation Day 't'.

**"Lock In Date"** means the last Calculation Business Day of each week from (but excluding) the Initial Valuation Date to (but excluding) the Final Valuation Date

# The Asset

The Asset comprises notional investments in the Funds set forth below (each, an “**Asset Component**”).

## Asset Components

| <b>I</b> | <b><u>Asset Component Name</u></b>  | <b><u>Ticker</u></b> | <b><u>Currency</u></b> | <b><u>Weight on Rebalancing Date</u> (<math>W_i^{t_{rb}}</math>)</b> |
|----------|-------------------------------------|----------------------|------------------------|--|
| 1        | Blackrock World Gold Fund           | MIGGMFX LX           | EUR                    | 10%  |
| 2        | Tricolore Rendement                 | TRICREC FP           | EUR                    | 8%   |
| 3        | Carmignac Investissement            | CARINVT FP           | EUR                    | 8%   |
| 4        | Oyster European Opportunities       | OYSQUGR LX           | EUR                    | 8%   |
| 5        | SGAM Index European Government Bond | SGEURGV LX           | EUR                    | 30%  |
| 6        | Generali Tresorerie                 | GENTRSR FP           | EUR                    | 20%  |
| 7        | Carmignac Patrimoine                | CARMPAT FP           | EUR                    | 16%  |
|          |                                     |                      |                        | 100%   |

## Asset Value

On each Valuation Day (t), the value of the Asset shall equal:

$$\text{Asset Value}^t = \text{Asset Value}^{trb} \times \left[ \sum_{i=1}^N \left( \frac{\text{AssetComponent}_i^t}{\text{AssetComponent}_i^{trb}} \times W_i^{trb} \right) \right]$$

### Where:

$t_{rb}$  = The most recent Rebalancing Date

$\text{Asset Value}^t$  = the Asset Value at Valuation Day (t)

$\text{Asset Value}^{trb}$  = the Asset Value for Valuation Day ( $t_{rb}$ )

$\text{Asset Component}_i^t$  = the Fund Value of Asset Component (i) at Valuation Day (t)

(any redemption fees, wire charges or other fees associated with redeeming the Asset Component at any time or any tax applied experienced by CSi in making an investment in such Asset Component will be subtracted from the Fund Value for purposes of this calculation and an adjustment will be made to the Fund Value for any dividend received from any Asset Component, in which case the net dividend will be reinvested in such Asset Component on the dividend settlement date)

|   |   |  |
|---|---|--|
| Asset Component <sub>i</sub> <sup>trb</sup> | = | the Fund Value of Asset Component (j) at the Valuation Day (t <sub>b</sub> )<br><br>(any redemption fees, wire charges or other fees associated with redeeming the Asset Component at any time or any tax applied experienced by CSi in making an investment in such Asset Component will be subtracted from the Fund Value for purposes of this calculation and an adjustment will be made to the Fund Value for any dividend received from any Asset Component, in which case the net dividend will be reinvested in such Asset Component on the dividend settlement date) |
| $w_i^{trb}$                                 | = | the weighting (" <b>Weight</b> ") of Asset Component i at Valuation Day (t <sub>b</sub> )  |
| i   | = | the relevant Asset Component   |
| N   | = | the number of Asset Components   |
| Rebalancing Date (t <sub>b</sub> )          | = | The Initial Valuation Date, and the last Valuation Day of each November from and excluding) the Initial Valuation Date to (and excluding) the Final Valuation Date   |

# Asset and Market Disruption Events

The Asset is a theoretical construction used to calculate the Final Redemption Amount. The compositions of the Asset are determined as at the Initial Valuation Date and are as set out previously. The Calculation Agent will not act as a discretionary asset manager in respect of the Asset. The Issuer has no obligation to invest in or maintain an investment in the Funds comprising the Asset, and the investor has no recourse to any actual investments.

|                     |                   |   |
|---------------------|-------------------|---|
| <b>Asset Event</b>  | <b>Disruption</b> | An Asset Disruption Event occurs if there is a Fund Disruption Event or a Market Disruption Event.  |
| <b>Fund Event</b>   | <b>Disruption</b> | <p>A Fund Disruption Event means any of the following events:</p> <ol style="list-style-type: none"><li>1. A failure, suspension or postponement in the reporting or publishing of the net asset value of the Fund (the "Fund Value") in respect of a Fund Business Day as regularly scheduled, or any event that prevents any Fund Value so published from being received by the people to whom it is published, whereby such event is, in the determination of the Calculation Agent, material;</li><li>2. Any circumstances where, although the Fund Value is published, the Calculation Agent determines that such value is not accurate or that any transaction in respect of the Fund could not be transacted at such value or with a cash consideration in full, and to be received as regularly scheduled;</li><li>3. The inability of a Hedging Entity, if holding the Fund as a hedge for the Notes, to liquidate the Fund or any other interest received by the Fund when scheduled (including any change to the notice period to redemption or subscriptions, any gating, side-pocketing or other arrangement affecting the Hedging Entity);</li><li>4. A postponement, suspension or failure of the Fund to make any payment in respect of the redemption of any interest in the Fund on any day for which such payment is scheduled to be made in accordance with the Fund's Prospectus;</li><li>5. The Issuer being unable to subscribe for or redeem interests in the Fund on a Fund Business Day in accordance with the Fund's Prospectus;</li></ol> |
| <b>Market Event</b> | <b>Disruption</b> | <p>Market Disruption Event means any of the following events:</p> <ol style="list-style-type: none"><li>1. when the foreign exchange market or money markets in EUR and/or USD are closed otherwise than for ordinary public holidays or if trading thereupon is restricted or suspended, and, in the determination of the Issuer, this would have a material impact on the ability of the Issuer to determine the Asset Value accurately, in a timely manner or at all or to execute a hedge in respect of the Asset Value in any such market.</li><li>2. an event pursuant to which there is a breakdown in any means of communication normally used for the valuation by the Issuer of all or a substantial portion of the Asset or if the Issuer determines at its own discretion that the last reported net asset value of the Asset should not be relied upon;</li><li>3. an event pursuant to which the Issuer determines that any transaction in relation to hedging the Asset would be rendered impracticable or any transaction in respect of hedging a substantial portion of the Asset would not be capable of being effected; or</li><li>4. any other event pursuant to which Issuer determines that the Asset Value cannot be promptly or accurately ascertained.</li></ol>   |

**Consequence of Disruption Event** a Where the Calculation Agent determines that an Asset Disruption Event has occurred in respect of a Valuation Day (the "Disrupted Valuation Day"), no payment, calculation and determination will be made in respect of the Disrupted Valuation Day and such Disrupted Valuation Day shall be postponed, until the day in respect of which an Asset Disruption Event ceases to exist, (such Valuation Day being the "Postponed Valuation Day").

The Calculation Agent may make any calculation, determination or adjustment of any variable in respect of the Notes and make any payment (in cash or other consideration)), as of the Postponed Valuation Day or at any time prior to such day, using an estimate of such variable determined in a commercially reasonable manner provided that such estimate shall take into account an amount, as determined by the Calculation Agent, in compensation for a Hedging Entity to reflect the risk that it would take in holding any Asset Units or other financial instrument as a hedge for the Securities but which it is unable to redeem or liquidate in full and without any restriction imposed whatsoever as of or at any time after the Disrupted Valuation Day. In addition to the above, the Calculation Agent may also declare an Asset Substitution Event or an Asset Termination Event as of the expiration of the Asset Disruption Period where the Asset Disruption Event has not otherwise ceased.

Where the Postponed Valuation Day falls or, in the determination of the Calculation Agent, is expected to fall, after any interim payment date and/or the Maturity Date then the respective interim payment date and/or Maturity Date shall be postponed until the third Payment Business Day after which the Hedging Entity would receive in full the proceeds in respect of the redemption of the Asset that it would hold as a hedge for the Notes unless the Calculation Agent determined that an amount can be paid earlier by the Issuer.

# Inclusion Conditions, Substitution Events & Adjustment

If the Calculation Agent deems, determines or declares that:

1. a Fund Substitution Event has occurred; or
2. the Fund does not comply with an Inclusion Condition;

each an **"Asset Substitution Event"**, then the Calculation Agent may at any time:

1. waive such Asset Substitution Event;
2. remove the Fund subject to an Asset Substitution Event, with effect as soon as reasonably practicable and, as soon as reasonably practicable following the removal of the Fund substitute the Fund with one or more fund (each a **"Substitute Fund"**) which comply with the Inclusion Conditions or indices which in the opinion of the Calculation Agent has a similar geographical focus to, and close correlation with, the Asset subject to the Asset Substitution Event (each a **"Substitute Index"**),

and, at the discretion of the Calculation Agent acting in a commercially reasonable manner, make any consequential adjustments to the Asset Value.

For the avoidance of doubt, the Calculation Agent is under no obligation to monitor compliance of the Fund with the Inclusion Conditions nor to monitor whether a Substitution Event has been triggered. The Calculation Agent shall not be liable to any party or person for losses resulting from violations of the Inclusion Conditions or failure to effect an Asset Substitution Event.

## Inclusion Conditions

1. **Liquidity:** The Fund shall offer investors the ability to redeem Fund units held by them or to subscribe for further Fund units on each Fund Business Day based on that Fund's Official Net Asset Value for such day provided proper same day notice procedures are followed by an investor (the Fund's terms for payout of redemption proceeds need not be same day, but can be up to five (5) Calculation Business Days);
2. **Fee Structure:** The Fund shall not charge CSi (i) a subscription fee for the purchase of units in that Fund or (ii) a redemption fee for the redemption of units in that Fund, or (iii) taxes of other similar fees payable in respect of a purchase or redemption of units in that Fund;
3. **Minimum Fund Size:** The Fund shall have a minimum net market value (as reported by its Fund Manager) of at least such minimum size as is acceptable to the Calculation Agent in its sole discretion;
4. **Publication Requirement:** The Fund shall report an Official Net Asset Value for each Fund Business Day applicable to it, which Official Net Asset Value shall be reported by its Fund Manager no later than the close of business on the following Fund Business Day.

## Fund Substitution Events

1. **Benchmark Change:** The "main objective", as stated in the Fund's prospectus, is altered or the benchmark performance that the Fund is stated to track is altered by the manager of that Fund, so that the new Benchmark is substantially different from the previous one
2. **Change of Prospectus:** The implementation of any change to the terms and conditions of the Fund, as detailed in the Fund's Prospectus and as notified in advance by the Fund's Administrator to holders of units in the Fund, which, in the sole opinion of the Calculation Agent, is of a material nature; including but not limited to such changes as (1) a change in the risk profile of the Fund; (2) a change in the voting rights associated with the units (3) an alteration to the investment objectives of the Fund; or (4) a change in the currency of denomination, so that the Official Net Asset Value is quoted in a different currency from that which it was quoted on the Trade Date.
3. **Currency Denomination Change:** Change of the Fund's currency of denomination at any time.
4. **Suspension of NAV Calculation:** If the Fund or the Fund's management company fails for reasons other than of a technical nature to calculate the net asset value of the Fund, respectively, for five consecutive Fund Business Days (applicable to such Fund).

5. **Regulatory Investigation:** The activities of the Fund or of the Fund's management company are under investigation by a regulatory body for reasons of wrongdoing, breach of any rule or regulation, or any similar reason.
6. **Compulsory Redemption of Units:** The compulsory redemption of units in the Fund (whether by the Fund Manager or otherwise) for any reason
7. **Wound up:** The Fund is wound up or terminated for any reason
8. **Imposition of Tax:** Either the Fund suffers an adverse change in tax treatment which would or does adversely affect holders of the Fund's shares/units or, CSi suffers, or would suffer, adverse tax treatment in respect of its holding.
9. **Minimum Fund Size:** If the Fund breaches the Minimum Fund Size Inclusion Condition, it may be substituted in whole or in part.
10. **Liquidity Restriction:** Any restriction on, limitation or suspension of liquidity in respect of the Fund is applied by a manager or otherwise imposed on the Fund or applied on an Index which is, in the sole determination of the Calculation Agent, material.
11. **Publication Requirement:** The Fund breaches the Publication Requirement and, in the sole determination of the Calculation Agent, such breach is material.
12. **Cancellation of Registration:** The cancellation of the registration, or of the approval, of the Fund, its Fund Manager, Administrator, Custodian and/or Executive Committee by any relevant authority or body.
13. **Replacement:** The Fund Manager, the Administrator, the Custodian and/or the Executive Committee of the Fund is replaced unless, in the sole opinion of the Calculation Agent, the relevant replacement is an individual or group of individuals who, or a corporate entity which, is reputable and experienced in their field and satisfy the compliance, due diligence and other control procedures required by the Issuer.
14. **Other Events:** Any other event that, in the opinion of the Calculation Agent, has an analogous effect to any of the events specified in this termsheet.

**Fund  
Adjustment  
Event**

If the Fund:

1. subdivides, consolidates, or reclassifies its units;
2. requires the mandatory redemption of units;
3. applies any restriction on, limitation or suspension of liquidity;
4. takes any other similar action that may have a diluting or concentrative effect on the theoretical value of such Fund units (each an "Adjustment Event");
5. breaches the "Fee Structure" Inclusion Condition (if any);
6. suffers an adverse change in the accounting, regulatory or tax treatment which would or does adversely affect holders of the Fund's units or the Issuer suffers, or would suffer, adverse tax treatment in respect of a holding of such Fund units.

each a "**Fund Adjustment Event**", then the Calculation Agent, acting in good faith and in a commercially reasonable manner, may make any adjustment it deems appropriate to the Final Redemption Amount on the Maturity Date to reflect such Adjustment Event.

# Termination Events

## Optional Early Termination

If one or more Asset Termination Events occurs, the Calculation Agent may, but is not obliged, to declare an Optional Early Termination Date, on which date all of the Notes will be terminated early at the Early Termination Amount.

The “**Early Termination Amount**” means the prevailing bid price as at the Optional Early Termination Date which CSi would quote in a commercially reasonable manner to a market participant for such a Note on such date, based on factors set forth in the Documentation. Such amount will be calculated in the sole discretion of CSi and shall be greater than or equal to 0.

## Asset Termination Events

On or following the Trade Date, an Asset Termination Event can be caused by (i) one or more of the events set forth below being reported to occur or, (ii) by publication of a notice or other dissemination of information indicating that such event will occur in the future. Unless otherwise specified, the Calculation Agent will make all determinations as to the occurrence of an Asset Termination Event in its sole discretion, including determinations as to materiality or the success or acceptability of any cure, mitigation or replacement.

- (1) In case of a Substitution Event, the Calculation Agent may declare an Asset Termination Event at his own discretion if he does not find a suitable Substitute Fund or Substitute Index.
- (2) Any of the events set out in paragraphs below relating to any investment by the Hedging Entity in shares of the Fund for the purpose of hedging the Issuer's obligations in respect of the Note, that is not remedied by the Fund reasonably promptly or within the specified cure period (as applicable) and that, in the sole determination of the Hedging Entity, has a material effect on the ability of the Hedging Entity to hedge its obligations.

Implementation of taxes or other charges, change in law:

- (i) The Fund suffers an adverse change in its legal, accounting, regulatory or tax treatment that would or does adversely affect the Hedging Entity as holder of shares, or the Hedging Entity becomes subject to taxes or other similar fees payable in respect of holding the Fund or subscriptions and redemptions and, in each case, such change has not been cured within 30 calendar days, provided that the Hedging Entity shall use reasonable efforts to mitigate any such effect if possible to do so; or
- (ii) as a result of (a) any adoption of, or change in, law or its interpretation, (b) any determination of a regulatory or taxation authority applicable to the Hedging Entity or Fund, or (c) the application of the Hedging Entity's regulatory capital treatment or funding treatment of the Note or its associated hedging arrangements or any change thereto, whereupon: (1) it becomes unlawful or prohibited for the Hedging Entity (including any adverse change in restrictions imposed by or on the Hedging Entity) to hold, purchase, sell, redeem or otherwise create, transfer or receive any security interest in the Fund; (2) the cost of the hedging arrangements in respect of the Note would be materially increased (including circumstances (a) requiring the Hedging Entity to adversely modify any reserve, special deposit, funding arrangement or similar requirement imposed by or on the Hedging Entity, (b) that would adversely affect the amount or cost of regulatory capital that would have to be maintained in respect of its hedging arrangements, or (c) which subject the Hedging Entity to any loss or additional taxation); or (3) there would be a material decline in either the Asset Value or the value of the Fund, or
- (iii) there would be a material decline in the Fund's net asset value.



## Automatic Early Redemption Events



An Automatic Early Redemption Event occurs where the Reference Portfolio Value (t) is equal to or less than Bond Floor (t) on any Valuation Day (t) (such date, an “**Automatic Early Redemption Event Date**”).

On the Valuation Day falling 6 calendar months from the Automatic Early Redemption Event Date (the “**Automatic Early Redemption Date**”), the Notes will be redeemed early at the prevailing bid price as at the Automatic Early Redemption Date which CSI would quote in a commercially reasonable manner to a market participant for such a Note on such date, based on factors set forth in the Documentation. Such amount will be calculated in the sole discretion of CSI.