

# Credit Suisse AG, London Branch

Series SPLB 2009-122

EUR 3,500,000 Equity Index-linked Notes due 2017

(to be consolidated to form a single series with EUR 5,000,000 Equity Index-linked Notes due 2017 Series SPLB 2009-122 issued on 30 September 2009)

**Issue Price: 100 per cent.**

This document comprises two parts. Part One is a summary of the Registration Document and Securities Note (the “**Summary**”) and Part Two is a securities note (the “**Securities Note**”) both prepared for the purposes of Article 5.3 of Directive 2003/71/EC (the “**Prospectus Directive**”). The Summary and Securities Note contain information relating to the above Notes (the “**Securities**”). The Summary and Securities Note shall be read in conjunction with the registration document (the “**Registration Document**”) dated 17 February 2010 containing information in respect of Credit Suisse AG, acting through its London Branch (the “**Issuer**”), as prepared for the purposes of Article 5.3 of the Prospectus Directive. Together, the Registration Document, the Summary and the Securities Note comprise a “**prospectus**” (the “**Prospectus**”) for the Securities, prepared for the purposes of Article 5.1 of the Prospectus Directive.

The Securities Note sets out the specific terms and conditions of the Securities (the “**Issue Specific Terms**”) and certain information relating thereto, the Asset Terms for Equity Index-linked Securities (the “**Asset Terms**”) and the base terms and conditions of the Securities (the “**General Conditions**”) which are supplemented by the Issue Specific Terms.

1 April 2010

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

The delivery of this document at any time does not imply that any information contained herein is correct at any time subsequent to the date hereof.

The Issuer will not be providing any post issuance information in relation to the Securities.

The Securities Note and Summary has been approved by the Irish Financial Services Regulatory Authority (the “**Financial Regulator**”), as competent authority under the Prospectus Directive 2003/71/EC. The Financial Regulator only approves this Securities Note and Summary as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive 2003/71/EC.

Application has been made to the Irish Stock Exchange for the Securities to be admitted to the Official List and trading on its regulated market.

In connection with the issue and sale of the Securities, no person is authorised to give any information or to make any representation not contained in the Registration Document, the Summary or the Securities Note, and neither the Issuer nor the Dealer accepts responsibility for any information or representation so given that is not contained in the Registration Document or the Securities Note. The Prospectus does not constitute an offer of Securities, and may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Securities or the distribution of the Prospectus in any jurisdiction where any such action is required except as specified herein.

The distribution of the Prospectus and the offering of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession the Registration Document, the Summary or the Securities Note comes are required by the Issuer to inform themselves about, and to observe, such restrictions.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”). Subject to certain exemptions, the Securities may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons. A further description of the restrictions on offers and sales of the Securities in the United States or to U.S. persons is set forth below under “Subscription and Sale”.

The language of the prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

## **PART ONE**

### **SUMMARY**

**Credit Suisse AG, acting through its London Branch**

**Series SPLB 2009-122 EUR 3,500,000 Equity Index-linked Notes due 2017 (the “Tranche 2 Notes”)**

**(to be consolidated to form a single series with EUR 5,000,000 Equity Index-linked Notes due 2017 Series SPLB 2009-122 issued on 30 September 2009 (the “Tranche 1 Notes”, and together with the Tranche 2 Notes, the “Securities”))**

This summary must be read as an introduction to this Prospectus and any decision to invest in the Securities should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference. No civil liability in respect of this summary will attach to the Issuer in any Member State of the European Economic Area in which the relevant provisions of the Prospectus Directive have been implemented unless this summary, including any translation thereof, is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in such a Member State, the plaintiff may, under the national legislation of that Member State, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

#### **Description of the Issuer**

In 2005, Credit Suisse and Credit Suisse First Boston merged. The merged bank operating under the name “Credit Suisse” (the “**Issuer**”) is a Swiss bank and joint stock corporation established under Swiss law and is a wholly owned subsidiary of Credit Suisse Group AG (“**CSG**”). The Issuer formed the basis for the integration of the banking business. The newly integrated global bank was launched on 1 January 2006.

The Issuer is a global financial services company domiciled in Switzerland. Since 2006, its activities have been operated and managed in three segments.

In Private Banking, the Issuer provides comprehensive advice and a broad range of wealth management solutions, including pension planning, life insurance products, tax planning and wealth and inheritance advice, tailored to the needs of high-net-worth and ultra-high-net-worth individuals worldwide. In Switzerland, the Issuer supplies banking products and services to high-net-worth, corporate and retail clients.

As of 31 December 2007, Private Banking had assets under management of CHF 995.4 billion.

In Investment Banking, the Issuer offers investment banking and securities products and services to corporate, institutional and government clients around the world. These include debt and equity underwriting, sales and trading, mergers and acquisitions advice, divestitures, corporate sales, restructuring and investment research.

As of 31 December 2007, Investment Banking had total loans, net, of CHF 64,892 million.

Asset Management offers integrated investment solutions and services to clients globally, ranging from governments, institutions and corporations to individuals. The Issuer offers investment products across the full spectrum of asset classes, including equities, fixed income, commodities and multi asset class products. It also offers a full range of alternative investments, including real estate, hedge funds, private equity and volatility management.

As of 31 December 2007, Asset Management had assets under management of CHF 691.3 billion.

### **Description of the Securities**

The Securities are euro denominated, principal protected index linked notes to be issued by the Issuer on 30 September 2009 and due to mature on 22 December 2017 (the “**Maturity Date**”). The principal amount of each Security is EUR 1,000 and the maximum principal amount of the Securities is EUR 5,000,000. The issue price is 100 per cent. of the principal amount. The securities are linked to the performance of the EuroSTOXX 50<sup>SM</sup> Index (Bloomberg Code SX5E <Index>) (the “**Index**”). The redemption amount which will be paid to the investor on the Maturity Date will be the greater of the Reference Portfolio Value and the Bond Floor (each as defined below) on the final valuation date, subject to a minimum of 100 per cent. of the principal amount.

The Securities may only be redeemed other than on the Maturity Date for reasons of default by the Issuer or the illegality of the Issuer’s payment obligations or its hedging arrangements.

The Securities will be cleared through Euroclear and Clearstream, Luxembourg.

Application has been made to the Irish Stock Exchange for the Securities to be admitted to its Official List and to trading on its regulated market.

### **Index Portfolio Value**

On each valuation date, the “**Index Portfolio Value**” of the Index is calculated as the closing level of the Index on that valuation date expressed as a percentage of the corresponding level on the initial valuation date.

### **Dynamic Leveraging**

The performance of the Index is subject to dynamic leveraging. Dynamic leveraging is dependent upon the daily volatility of the Index, measured over the 30 days ending on the relevant valuation date. Volatility refers to the standard deviation of the change in the value of the Index over a period of time. Standard deviation is a measure of the spread of values within any given sample population. Exposure to the Index increases or decreases pursuant to a formula as the volatility over the 30 day period decreases or increases respectively, subject to minimum and maximum values and subject to such increases or decreases exceeding certain thresholds. Such formula also results in such exposure being negatively affected by increases in the Bond Floor (defined below), all as further described in the Schedule.

### **Reference Portfolio Value**

On each valuation date the “**Reference Portfolio Value**” is calculated. The Reference Portfolio Value is the previous day’s Reference Portfolio Value multiplied by the percentage change in the Index Portfolio Value from the previous day, after adjustment for the volatility and deduction of a daily accruing variable fee and adjustment for the monthly Euribor rate prevailing two days previously. Depending on the result of the formula for the dynamic leveraging the Euribor related adjustment may be a negative adjustment (in which even the rate used shall be Euribor plus a

spread of 0.50 per cent.) or positive (in which event the Euribor rate shall be used). The resultant value is then subject to a further deduction of a daily fixed fee.

### **Bond Floor and Lock-in**

On each valuation date the “**Bond Floor**” is calculated as the Bond Floor for the preceding valuation date (the Bond Floor for the initial valuation date being 75 per cent., unless that valuation date is also a lock-in date. Lock-in dates occur quarterly, starting three months following the initial valuation date. If such date is a lock-in date, the Bond Floor is calculated as the greater of (i) the Bond Floor on the preceding valuation date and (ii) 75 per cent. of the Reference Portfolio Value for the preceding valuation date. The purpose of the lock-in is to protect or “lock-in” a certain percentage of the performance of the Reference Portfolio Value. The higher the Reference Portfolio Value on a Lock-in date, the greater the potential lock-in amount.

The full terms and conditions contain provisions dealing with non-business days, disruptions and adjustments that may affect the Index and the timing of calculations and payments under the Securities.

### **Risk Factors**

The terms of the Securities provide that the Redemption Amount (as defined in the Schedule) payable to the investor will be dependent upon the performance of the Index and its volatility and the performance of Euribor. The amount payable at maturity (but not on any early redemption) will be at least 100 per cent. of the principal amount.

An investment in the Securities is not the same as an investment which is directly linked to the Index or Euribor. In particular, higher levels of volatility will result in a lower exposure to changes in the value of the Index. In addition, investors will not benefit from any dividends.

The level of the Index and Euribor may go down as well as up throughout the term of the Securities. Furthermore, the level of the Index or Euribor at any specific date may not reflect its prior or future performance. There can be no assurance as to the future performance of the Index or Euribor. Accordingly, before investing in the Securities, prospective investors should carefully consider whether an investment based on the performance of the Index and Euribor is suitable for them.

The Securities involve complex risks, which include, among other things, equity market risks, credit risks, interest rate risks, volatility risks and/or political risks.

It is not possible to predict the price at which Securities will trade in the market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, purchase Securities at any time at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation. The market for Securities may be limited. The only way in which a holder can realise value from a Security prior to maturity is to sell it at its then market price in the market, which may be less than the amount initially invested.

Fluctuations in the prices of the shares comprised in the Index, the levels of the Index and its volatility and Euribor may affect the value of the Securities.

Accordingly, an investment in the Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The levels and basis of taxation on the Securities and any reliefs from such taxation can change at any time. The value of any tax reliefs will depend on an investor’s individual circumstances. The tax

and regulatory characterisation of the Securities may change over the life of the Securities. This could have adverse consequences for investors.

**Before making any investment decision with respect to the Securities, any prospective investors should consult their own financial, tax or other advisers as they consider necessary and carefully review and consider such an investment decision in the light of the foregoing and their personal circumstances.**

## **PART TWO**

### **SECURITIES NOTE**

Terms defined in the General Conditions have the same meaning herein unless otherwise defined in the Issue Specific Terms.

In the event of any inconsistency between the Issue Specific Terms and the General Conditions, the Issue Specific Terms will prevail.



## **DOCUMENTS INCORPORATED BY REFERENCE**

This Securities Note should be read and construed in accordance with Pages 421 to 428 (Risk Factors) of the 2008 Annual Report on Form 20-F of Credit Suisse (the “**Annual Report**”) which shall be deemed to be incorporated in, and form part of, this Prospectus.

The non-incorporated parts of the Annual Report are not relevant for the investor.

## **RISK FACTORS**

*The risk factors set out below are risk factors that are material to the Securities in order to assess the market risk associated with them or which may affect the Issuer's ability to fulfil its obligations under them.*

### **Credit Risk**

Securities are obligations of the Issuer. Securityholders are exposed to the credit risk of the Issuer.

### **Limited Liquidity**

There can be no assurance that a secondary market for any of the Securities will develop, or, if a secondary market does develop, that it will provide the holders of the Securities with liquidity or that it will continue for the life of the Securities. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities. Illiquidity may have a severely adverse effect on the market value of Securities.

Any investor in the Securities must be prepared to hold such Securities for an indefinite period of time or until redemption or expiry of the Securities. The Issuer may, but is not obliged to, purchase Securities at any time at any price in the open market or by tender or private treaty and may hold, resell or cancel them. The market for Securities may be limited. The only way in which a holder can realise value from a Security prior to its maturity or expiry (other than in the case of an American style Warrant) is to sell it at its then market price in the market which may be less than the amount initially invested. The price in the market for a Security may be less than its issue price even though the value of any Underlying Asset may not have changed since the issue date.

### **Optional Redemption by the Issuer**

Any call option of the Issuer in respect of the Securities may negatively impact their market value. During any period when the Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest rate on the Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities being redeemed.

Where Securities are linked to Underlying Assets, if certain events occur in relation to an Underlying Asset and it determines that it is unable to make an appropriate adjustment to the terms of the Securities, the Issuer may redeem the Securities at their fair market value.

### **Currency Risk**

Investors may be exposed to currency risks because (i) the Underlying Assets may be denominated or priced in currencies other than the currency in which the Securities are denominated or (ii) the Securities and/or the Underlying Assets may be denominated in currencies other than the currency of the country in which the investor is resident. The value of the Securities may therefore increase or decrease as a result of fluctuations in those currencies.

### **Conflicts of Interest**

In making calculations and determinations with regard to the Securities, there may be a difference of interest between the investors and the Issuer. The Issuer is required to act in good faith and in a commercially reasonable manner but does not have any obligations of agency or trust for any investors and has no fiduciary obligations towards them. In particular the Issuer and its affiliated entities may have interests in other capacities (such as other business relationships and activities).

### **Loss of investment**

If the amount payable on redemption, exercise or expiry of the Securities is less than their issue price, investors may lose all or part of their investment.

### **Adjustments and Early Redemption or Cancellation**

In certain circumstances the Issuer may make adjustments to the terms of the Securities (including substituting Underlying Assets) or redeem or cancel them at their fair market value as determined by it without the consent of the Securityholders.

### **Securities linked to other Assets**

Where the amounts of payments under Securities are linked to the performance or evolution of shares, depositary receipts, equity indices, commodities, commodity indices, exchange rates, exchange rate indices, inflation indices, interest rate indices and/or other variables ("**Underlying Assets**") an investment in the Securities is not the same as an investment in any or all of the Underlying Assets or any securities comprised in a relevant equity index or an investment which is directly linked to any of them. In particular, investors will not benefit from any dividends unless the relevant equity index is a total return index.

The levels or prices of Underlying Assets (and of securities or other components comprised in an index) may go down as well as up throughout the term of the Securities. Such fluctuations may affect the value of the Securities. Furthermore, the levels or prices at any specific date may not reflect their prior or future performance or evolution. There can be no assurance as to the future performance or evolution of any Underlying Asset. Accordingly, before investing in the Securities, investors should carefully consider whether any investment linked to the relevant Underlying Assets is suitable for them.

Such Securities may involve complex risks, which include, among other things, share price risks, credit risks, commodity risks, foreign exchange risks, interest rate risks, political risks, inflation risks and/or issuer risks. If the Securities are linked to an Underlying Asset which involves emerging market countries there may be additional risks, including event, market, liquidity, regulatory, settlement and holder risks and investors should note that the risk of occurrence and the severity of the consequences of the matters described herein may be greater than they would otherwise be in relation to more developed countries.

### **Tax**

The level and basis of taxation on the Securities and on the Securityholders and any reliefs from such taxation depend on the Securityholder's individual circumstances and would change at any time. The tax and regulatory characterisation of the Securities may change over the life of the Securities. This could have adverse consequences for Securityholders. Potential Securityholders will therefore need to consult their own tax advisers to determine the specific tax consequences of the purchase, ownership, transfer and redemption or enforcement of the Securities.

### **Issue Specific Risk Factors**

The terms of the Securities provide that the Redemption Amount (as defined in the Schedule) payable to the investor will be dependent upon the performance of the Index and its volatility and the performance of Euribor. The amount payable at maturity (but not on any early redemption) will be at least 100 per cent. of the principal amount.

An investment in the Securities is not the same as an investment which is directly linked to the Index or Euribor. In particular, higher levels of volatility will result in a lower exposure to changes in the value of the Index. In addition, investors will not benefit from any dividends.

The level of the Index and Euribor may go down as well as up throughout the term of the Securities. Furthermore, the level of the Index and Euribor at any specific date may not reflect its prior or future performance. There can be no assurance as to the future performance of the Index and Euribor. Accordingly, before investing in the Securities, prospective investors should carefully consider whether an investment based on the performance of the Index and Euribor is suitable for them.

The Securities involve complex risks, which include, among other things, equity markets risks, credit risks, interest rate risks, volatility risks and/or political risks.

It is not possible to predict the price at which Securities will trade in the market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, purchase Securities at any time at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation. The market for Securities may be limited. The only way in which a holder can realise value from a Security prior to maturity is to sell it at its then market price in the market, which may be less than the amount initially invested.

Fluctuations in the prices of the shares comprised in the Index, the levels of the Index and its volatility and Euribor may affect the value of the Securities.

Accordingly, an investment in the Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

**Before making any investment decision with respect to the Securities, any prospective investors should consult their own financial, tax or other advisers as they consider necessary and carefully review and consider such an investment decision in the light of the foregoing and their personal circumstances.**

## ISSUE SPECIFIC TERMS

The Securities will be subject to the General Terms and Conditions of Notes (English law) and Asset Terms for Equity Index-linked Securities set out in Schedule 2 herein and also to the following provisions. References in such General Terms and Conditions of Notes (English Law) and Asset Terms to the Final Terms shall be to these provisions. In the case of a discrepancy or conflict with such General Terms and Conditions of Notes (English Law) or Asset Terms, the following provisions shall prevail.

<b>1</b>	Branch:	London Branch
<b>2</b>	Series Number:	SPLB 2009-122
<b>3</b>	Tranche Number:	2
<b>4</b>	Applicable General Terms and Conditions:	Notes - English law
<b>5</b>	Specified Currency:	Euro (“ <b>EUR</b> ”)
<b>6</b>	Aggregate Nominal Amount:	EUR 8,500,000
	Tranche 1 Notes:	EUR 5,000,000
	Tranche 2 Notes:	EUR 3,500,000 to be consolidated to form a single series with the Tranche 1 Notes on the Issue Date
<b>7</b>	Issue Price:	100 per cent. of the Aggregate Nominal Amount
<b>8</b>	Specified Denomination:	EUR 1,000 per Security
<b>9</b>	Issue Date:	1 April 2010
<b>10</b>	Maturity Date:	22 December 2017
<b>11</b>	Interest Basis:	Not Applicable
<b>12</b>	Premium Basis:	Not Applicable
<b>13</b>	Redemption Basis:	Equity Index-linked
<b>14</b>	Put/Call Options:	Not Applicable

### PROVISIONS RELATING TO INTEREST AND PREMIUM

<b>15</b>	<b>Fixed Rate Provisions</b>	Not Applicable
<b>16</b>	<b>Floating Rate Provisions</b>	Not Applicable
<b>17</b>	<b>Premium Provisions</b>	Not Applicable

## PROVISIONS RELATING TO REDEMPTION

<b>18</b>	Redemption Amount:	The Redemption Amount in respect of each Security will be calculated as provided in the Schedule below.
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## UNDERLYING ASSETS

### List of Underlying Assets

<b>19</b>	(i) Euro STOXX 50 Index	
<b>20</b>	<b>Equity Index-linked Securities</b>	Applicable
	Index:	Euro STOXX 50 Index
	Bloomberg Code:	SX5E <Index>
	Information Source:	www.bloomberg.com
	Required Exchanges:	Not Applicable
	Jurisdictional Event:	Not Applicable
	Jurisdictional Event Jurisdiction(s):	Not Applicable
	Weighting:	100 per cent.
	Additional Disruption Events:	
	Change in Law:	Applicable
	Hedging Disruption:	Applicable
	Increased Cost of Hedging:	Applicable
<b>21</b>	Adjustments Convention:	As per Asset Terms 2
<b>22</b>	Call Option:	Not Applicable
<b>23</b>	Put Option:	Not Applicable
<b>24</b>	Settlement Currency:	The Specified Currency

## GENERAL PROVISIONS

<b>25</b>	(i) Form of Securities:	Bearer Securities
	(ii) Global Security:	Permanent Global Security
	(iii) Applicable TEFRA exemption:	C Rules
<b>26</b>	Financial Centre(s):	Not Applicable
<b>27</b>	Vouchers to be attached to Definitive Securities ( <i>Swiss law only</i> ):	Not Applicable
<b>28</b>	Details relating to Instalment Securities	Not Applicable
<b>29</b>	Minimum Transferable Number of Securities:	Not Applicable
<b>30</b>	Listing and Admission to Trading:	
	(i) Stock Exchange(s) to which application	Irish Stock Exchange

will initially be made to list the Securities: *(Application may subsequently be made to other stock exchange(s))*

(ii) Admission to trading:	Application has been made for the Securities to be admitted to trading on the Regulated Market of the Irish Stock Exchange with effect from the Issue Date.
<b>31</b> Security Codes:	
ISIN Code:	XS0453489204
Common Code:	045348920
Swiss Security Number:	10571882
Telekurs Ticker:	Not Applicable
WKN Number:	Not Applicable
<b>32</b> Clearing and Trading:	
Clearing System(s) and any relevant identification number(s):	Euroclear Bank S.A./N.V. and Clearstream Banking, S.A., Luxembourg
Delivery of Securities:	Delivery versus payment
<b>33</b> Agents:	
Calculation Agent:	Credit Suisse International One Cabot Square London E14 4QJ
Fiscal Agent/Principal Certificate Agent:	The Bank of New York Mellon, acting through its London Branch One Canada Square London E14 5AL
Paying Agents/Certificate Agents:	The Bank of New York Mellon, acting through its London Branch One Canada Square London E14 5AL
<b>34</b> Dealer(s):	Credit Suisse Securities (Europe) Limited One Cabot Square London E14 4QJ
<b>35</b> Additional steps that may only be taken following approval by Extraordinary Resolution:	Not Applicable
<b>36</b> Specified newspaper for the purposes of	Not Applicable

notices to Securityholders:

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Additional Provisions:

Not Applicable

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

By: \_\_\_\_\_

Duly authorised



## SCHEDULE

### 1 Redemption Amount

The “**Redemption Amount**” means, in respect of each Security, an amount payable on the Maturity Date determined by the Calculation Agent in accordance with the following formula:

$$SD \times \text{Max}(100\%, BF_{\text{FINAL}}, RPV_{\text{FINAL}})$$

where:

“**BF<sub>FINAL</sub>**” means  $BF_i$  on the Final Valuation Date.

“**RPV<sub>FINAL</sub>**” means  $RPV_i$  on the Final Valuation Date.

“**SD**” means the Specified Denomination.

$BF_i$  and  $RPV_i$  have the meanings given below.

### 2 Bond Floor

On each Valuation Date<sub>i</sub> the “**Bond Floor**” or “**BF<sub>i</sub>**”, is calculated as follows:

If Valuation Date<sub>i</sub> is also a Lock-in Date then:

$$BF_i = \text{Max}(BF_{i-1}, RPV_{i-1} \times BF_0)$$

where:

“**BF<sub>0</sub>**” means 75 per cent.

Otherwise:

$$BF_i = BF_{i-1}.$$

$RPV_i$  has the meaning given below.

### 3 Reference Portfolio Value

On each Valuation Date<sub>i</sub>, the “**Reference Portfolio Value**” or “**RPV<sub>i</sub>**”, is calculated as follows ( $RPV_0$  being equal to 100 per cent.) in accordance with paragraph 3(i) or (ii), as determined by the Calculation Agent:

(i) If  $W_{i-1}$  is greater than 100 per cent. then:

$$RPV_i = \left[ W_{i-1} \times \left( \frac{IPV_i}{IPV_{i-1}} \right) + (1 - W_{i-1}) \times \left( 1 + (\text{Euribor}_{i-2} + \text{LevSpd}) \times \frac{dc_i}{360} \right) - \text{VarFee} \times \frac{dc_i}{360} \right] \times RPV_{i-1} \\ - \text{FixedFee} \times \frac{dc_i}{360}$$

(ii) If  $W_{i-1}$  is equal to or less than 100 per cent. then:

$$RPV_i = \left[ W_{i-1} \times \left( \frac{IPV_i}{IPV_{i-1}} \right) + (1 - W_{i-1}) \times \left( 1 + (\text{Euribor}_{i-2}) \times \frac{dc_i}{360} \right) - \text{VarFee} \times \frac{dc_i}{360} \right] \times RPV_{i-1} \\ - \text{FixedFee} \times \frac{dc_i}{360}$$

“**dc<sub>i</sub>**” means the number of calendar days from (and excluding) Valuation Date<sub>i-1</sub> to (and including) Valuation Date<sub>i</sub>.

“**Euribor<sub>i-2</sub>**” means the 1 month Euribor rate on Valuation Date<sub>i-2</sub> or, if not available, the rate on such date at or about the time as at which such rate would otherwise have been determined for the deposit of euro for a period of one month as determined by the Calculation Agent acting reasonably from prevailing market rates.

“**FixedFee**” means 0.50%.

“**LevSpd**” means 0.50%.

“**VarFee**” means 1.00%.

“**W<sub>i</sub>**” has the meaning given below.

#### 4 Target Exposure

On each Valuation Date, the “**Target Exposure**” or **TE<sub>i</sub>**”, in respect of the Index shall be determined in accordance with the following formula:

$$TE_i = \frac{(RPV_i - BF_i)}{RPV_i} \times Multiplier$$

where:

“**Multiplier**” means, in respect of Valuation Date<sub>i</sub>, the value determined in accordance with the following formula:

$$[6] \times \frac{Vol_{Target}}{MAX[Vol_i, 10\%]}$$

where:

“**Vol<sub>i</sub>**” means, for any Valuation Date<sub>i</sub>, the volatility calculated by the Calculation Agent as the standard deviation of the changes in the Index Level for each of the 30 Scheduled Trading Days which are not Disrupted Days ending on Valuation Date<sub>i</sub> in accordance with the following formula, which may be adjusted from time to time by the Calculation Agent in accordance with market standard calculation methodology such determination, as determined by the Calculation Agents:

$$Vol_i = \sqrt{252} \times \sqrt{\frac{1}{VP} \times \sum_{t=i-VP}^i \ln\left(\frac{IPV_t}{IPV_{t-1}}\right)^2}$$

where:

“**IPV<sub>i</sub>**” means the Index Level on Valuation Date<sub>i</sub> expressed as a percentage of the Index Level on the Initial Valuation Date.

“**VP**” means 30.

“**Vol<sub>Target</sub>**” means 15 per cent.

BF<sub>i</sub> has the meaning given above.

## 5 Reference Portfolio Rebalancing Event

A “**Reference Portfolio Rebalancing Event**” occurs on Valuation Date<sub>i</sub> if:

$W_{i-1} / TE_{i-1}$  is greater than 110 per cent. or is less than 90 per cent.

where:

If a Reference Portfolio Rebalancing Event occurs on Valuation Date<sub>i</sub> then subject to both a minimum of the Minimum Exposure and a maximum of the Maximum Exposure:

“**W<sub>i</sub>**” means  $TE_{i-1}$

where:

$TE_i$  has the meaning given above.

Otherwise:

$W_i = W_{i-1}$ .

## 6 Definitions

“**Calculation Agent**” means Credit Suisse International.

“**Final Valuation Date**” means 15 December 2017.

“**Initial Valuation Date**” means 15 December 2009.

“**Lock-in Date**” means 15 March 2010, 15 June 2010, 15 September 2010, 15 December 2010, 15 March 2011, 15 June 2011, 15 September 2011, 15 December 2011, 15 March 2012, 15 June 2012, 14 September 2012, 14 December 2012, 15 March 2013, 14 June 2013, 13 September 2013, 13 December 2013, 14 March 2014, 13 June 2014, 15 September 2014, 15 December 2014, 13 March 2015, 15 June 2015, 15 September 2015, 15 December 2015, 15 March 2016, 15 June 2016, 15 September 2016, 15 December 2016, 15 March 2017, 14 June 2017, 15 September 2017 and 15 December 2017. For the avoidance of doubt, there are 32 Lock-in Dates.

“**Maximum Exposure**” means 250 per cent.

“**Minimum Exposure**” means 10 per cent.

“**Valuation Date**” means, subject to Asset Term 2, each Scheduled Trading Day from, and including, the Initial Valuation Date (“**Valuation Date<sub>0</sub>**”) to, and including, the Final Valuation Date.

## EURO STOXX 50<sup>SM</sup> INDEX

### General

Information as to the methodology, calculation and value of the EURO STOXX 50<sup>SM</sup> Index (the “**Index**”) at any given point in time is available on the Stox website, [www.stox.com](http://www.stox.com) (provided that this website does not form part of the Securities Note or the terms and conditions of the Securities) and the value of the Index is available on Bloomberg Code “SX5E <Index>”.

### Disclaimer of STOXX and its Licensors

STOXX Limited (“**STOXX**”) and its licensors (the “**Licensors**”) have no relationship to the Issuer, other than the licensing of the Index and the related trademarks for use in connection with the Securities.

### STOXX and its Licensors do not:

- Sponsor, endorse, sell or promote the Securities.
- Recommend that any person invest in the Securities or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Securities.
- Have any responsibility or liability for the administration, management or marketing of the Securities.
- Consider the needs of the Securities or the Securityholders in determining, composing or calculating the Index or have any obligation to do so.

**STOXX and its Licensors will not have any liability in connection with the Securities. Specifically,**

**STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**

- **The results to be obtained by the Securities, the Securityholders or any other person in connection with the use of the Index and the data included in the Index;**
- **The accuracy or completeness of the Index and its data;**
- **The merchantability and the fitness for a particular purpose or use of the Index and its data;**
- **STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the Index or its data;**
- **Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.**

**The licensing agreement between the Issuer and STOXX is solely for their benefit and not for the benefit of the Securityholders or any other third parties.**

## **CLEARING ARRANGEMENTS**

The Securities will be cleared through Euroclear and Clearstream, Luxembourg. The Common Code and the International Securities Identification Number (ISIN) are set out in the Issue Specific Terms.

## TAXATION

### United Kingdom

Provided that the Issuer continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the “**Act**”), and provided that the interest on the Securities is paid in the ordinary course of its business within the meaning of section 878 of the Act, the Issuer, acting through its London Branch, will be entitled to make payments of interest under the Securities without withholding or deduction for or on account of United Kingdom income tax.

Payments of interest on the Securities may also be made without withholding or deduction for or on account of United Kingdom income tax if the Securities are listed on a “recognised stock exchange” within the meaning of section 1005 of the Act.

Interest on the Securities may also be paid without withholding or deduction for or on account of United Kingdom tax where interest on the Securities is paid to a person who belongs in the United Kingdom for United Kingdom tax purposes and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Securities is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest; provided that HM Revenue & Customs have not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

Interest on the Securities may also be paid without withholding or deduction for or on account of United Kingdom tax where the maturity of the Securities is less than 365 days.

In other cases, an amount must generally be withheld from payments of interest on the Securities issued by the Issuer acting through its London Branch on account of United Kingdom income tax at the lower rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Securityholder, HM Revenue & Customs can issue a notice to the Issuer to pay interest to the Securityholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Securityholders who are individuals may wish to note that HM Revenue & Customs have power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays interest to or receives interest for the benefit of an individual. HM Revenue & Customs also have power to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Security which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to, or receives such amounts for the benefit of, an individual. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HM Revenue & Customs with the tax authorities of the jurisdiction in which the Securityholder is resident for tax purposes.

**France**

Payments of interest and other revenues in respect of the Securities will not be subject to French withholding tax.

French resident individuals holders of Securities as private assets may, under certain conditions and pursuant to Article 125 A I of the French tax code, elect to be subject to the fixed prepayment levy (prélèvement libératoire) on the income received under the Securities which is assimilated to interest income for French tax purposes.

## SELLING RESTRICTIONS

### United States

The Securities have not been and will not be 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 except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Securities may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The Dealer has agreed that, except as permitted by applicable law, not to offer, sell or deliver the Securities (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons, and it will be required to send to each other Dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Securities within the United States by the Dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### United Kingdom

The Dealer has represented and agreed that:

- (a) it has only communicated or caused to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Securities in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorised person, 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 Securities in, from or otherwise involving the United Kingdom.

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), the Dealer represents and agrees 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 Securities to the public (within the meaning of that Directive) in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities to the public in that Relevant Member State pursuant to the Prospectus or in circumstances which do not require the publication by the Issuer or the Dealer of a prospectus pursuant to the Prospectus Directive.



## France

The Dealer has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Securities to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus and any other offering material relating to the Securities, and that such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*.

## **GENERAL INFORMATION**

- 1** The issue of the Securities is made in accordance with the Organisational Guidelines and Regulations of Credit Suisse AG dated 1 January 2007. No specific resolutions of the Board of Directors of the Issuer was required.
- 2** A&L Listing Limited acted as listing agent for the listing of the Securities on the Irish Stock Exchange.
- 3** Copies of the Agency Agreement will be available for inspection during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the offices of the Paying Agent. In addition copies of the following will be available free of charge at the principal office of the Paying Agent and at the registered office of the Issuer, during usual business hours on any weekday (Saturdays and public holidays excepted):
  - (a) the Prospectus; and
  - (b) the Agency Agreement and any supplement thereto.

## SCHEDULE 1

### GENERAL TERMS AND CONDITIONS OF NOTES

(English law)

*The following is the text of the general terms and conditions that, together with any applicable Asset Terms and subject to the provisions of the relevant Final Terms, shall be applicable to Securities for which the relevant General Terms and Conditions are specified in the Final Terms as being those of “Notes – English law”. References in the Conditions to “Securities” are to the Securities of one series only, not to all Securities that may be issued under the Programme. Definitions used in these General Terms and Conditions shall not apply in relation to any of the other General Terms and Conditions contained in this Prospectus.*

The Securities (which expression shall include any Securities issued pursuant to General Condition 11) are issued pursuant to an agency agreement (as amended or supplemented from time to time, the “**Agency Agreement**”) between the Issuer, The Bank of New York Mellon, acting through its London Branch (or such other entity as may be specified in the Final Terms) as fiscal agent and the other agents named in it and with the benefit of a deed of covenant (as amended or supplemented as at the Issue Date, the “**Deed of Covenant**”) executed by the Issuer in relation to the Securities. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent, the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**” and together with any other agents specified in the Final Terms, the “**Agents**”). The Securityholders (as defined in General Condition 1) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

The “Co-Structurer”, if any, shall be the institution specified in the Final Terms.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

Securities are subject to these General Conditions, as modified and/or supplemented by the relevant Asset Terms, any specific terms required by relevant Clearing Systems, stock exchanges or other relevant authorities and the relevant final terms (the “**Final Terms**”) relating to the relevant Securities (together, the “**Conditions**”).

Expressions used herein and not defined shall have the meaning given to them in the relevant Final Terms. In the event of any inconsistency between the General Conditions or the Asset Terms and the Final Terms, the Final Terms will prevail.

Except in relation to General Conditions 8, 10 and 16 references herein to the Issuer shall, if the Final Terms specify that the Issuer is acting through a branch (the “**Branch**”), be to the Issuer acting through such branch.

Where determinations or calculations are required to be made by the Issuer, the Issuer may delegate the performance of such determinations and/or calculations to a Calculation Agent on its behalf. In such event the relevant references to the Issuer shall be construed as references to such Calculation Agent.

## 1 Form, Denomination and Title

The Securities are issued in bearer form ("**Bearer Securities**") or in registered form ("**Registered Securities**") in each case with a nominal amount (the "**Nominal Amount**") equal to the Specified Denomination(s) specified in the Final Terms.

All Registered Securities shall have the same Specified Denomination.

Bearer Securities are represented by a bearer global security (a "**Global Security**"). No definitive Bearer Securities will be issued.

Where Registered Securities are held by or on behalf of one or more Clearing Systems, a global certificate (a "**Global Certificate**") will be issued in respect of them. Certificates in respect of Registered Securities will not otherwise be issued.

Title to the Global Security shall pass by delivery. Title to the Registered Securities 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**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Security shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

For so long as any of the Securities is represented by a Global Security or a Global Certificate held by or on behalf of one or more clearing systems specified in the Final Terms (each a "**Clearing System**"), each person (other than one Clearing System to the extent that it appears on the books of another Clearing System) who is for the time being shown in the records of the relevant Clearing System as the holder of a particular nominal amount of such Securities or, in the case of Securities held through Monte Titoli, each person whose name appears as being entitled to a Security in the books of a financial intermediary (an Italian bank, banker or agent authorised to maintain rewritten accounts on behalf of its clients) (an "**Account Holder**") who is entitled to such Security according to the books of Monte Titoli, (in which regard any certificate or other document issued by the relevant Clearing System or Account Holder as to the nominal amount of such Securities 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 and each Agent as the holder of such nominal amount of such Securities for all purposes other than with respect to the right to payment on such nominal amount of such Securities, the right to which shall be vested, as against the Issuer and any Agent, solely in the bearer of the relevant Global Security or the person in whose name the Registered Security is registered in accordance with and subject to its terms (and the expressions "**Securityholder**" and "**holder**" of Securities and related expressions shall be construed accordingly). Rights in respect of Securities which are held by or on behalf of a Clearing System will be transferable only in accordance with the rules and procedures for the time being of the relevant Clearing System and, if so specified in the Final Terms, will be subject to a Minimum Trading Lot specified in the Final Terms.

Any reference to a Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer.

Notwithstanding the foregoing, if the Securities are listed on SIX Swiss Exchange AG and the rules of such exchange so require, if the Paying Agent in Switzerland determines in its sole discretion that individually certificated Securities should be necessary or useful, the Issuer shall print individually certificated Securities and deliver them free of charge to or to the order of Securityholders against the cancellation of the rights in respect of the Securities under the relevant Global Security or in the Register.

In such event, the Issuer shall, without the consent of the Securityholders, amend the Conditions in such manner as the Issuer and the Paying Agent in Switzerland shall determine to be necessary in order for payments to continue to be effected and rights exercised in respect of the Securities.

## **2 Transfers of Registered Securities**

### **(a) *Transfer of Registered Securities***

To transfer one or more Registered Securities a duly completed form of transfer in the form available from the Registrar or any Transfer Agent must be delivered to the specified office of the Registrar or any Transfer Agent of together with such other evidence as to the holder's identity and authority as the Registrar or Transfer Agent may reasonably require. All transfers of Registered Securities and entries on the Register will be made subject to the regulations scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be made available by the Registrar to any holder of a Registered Security upon request.

### **(b) *Transfers Free of Charge***

The transfer of Securities 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).

### **(c) *Closed Periods***

No Securityholder may require the transfer of a Registered Security 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 Security, (ii) during the period of 15 days before any date on which Securities may be called for redemption by the Issuer at its option pursuant to General Condition 5(d), (iii) after any such Security has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

## **3 Status**

The Securities are unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* and rateably without any preference among themselves and equally with all other unsubordinated and unsecured obligations of the Issuer from time to time outstanding.

## **4 Interest and Premium**

### **(a) *Interest on Fixed Rate Securities***

Each Fixed Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date either (i) at the rate per annum (expressed as a percentage) equal to the Rate of Interest or (ii) in an Interest Amount, such interest being payable in arrear on each Interest Payment Date. If so specified in the Final Terms, the Rate of Interest or Interest Amount may be different for different Interest Periods.

### **(b) *Premium***

If so specified in the Final Terms, the Issuer shall pay a premium in respect of the derivative element of the Securities. Such premium shall be payable in respect of each Security on its

outstanding nominal amount from the Premium Commencement Date either (i) at the rate per annum (expressed as a percentage) equal to the Rate of Premium or (ii) in an amount equal to a fixed Premium Amount, such premium being payable in arrear on each Premium Payment Date. If so specified in the Final Terms, the Rate of Premium or Premium Amount may be different for different Premium Periods.

**(c) Interest on Floating Rate Securities**

**(i) Interest Payment Dates**

Each Floating Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date specified in the Final Terms.

**(ii) Business Day Convention**

If any date that is specified in the Final Terms to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

**(iii) Rate of Interest for Floating Rate Securities**

The Rate of Interest in respect of Floating Rate Securities for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified in the relevant Terms;
- (y) the Designated Maturity is a period specified in the relevant Terms; and
- (z) the relevant Reset Date is the first day of that Interest Period.

For the purposes of this sub-paragraph (iii), “**Floating Rate**”, “**Calculation Agent**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

**(d) *Accrual of Interest and Premium***

Interest and Premium shall cease to accrue on each Security on the due date for redemption unless payment is improperly withheld or refused, in which event interest and premium shall continue to accrue (both before and after judgment) in the manner provided in this General Condition 4 to the Relevant Date (as defined in General Condition 7).

**(e) *Margin, Maximum/Minimum Rates of Interest, Rate Multipliers and Rounding***

- (i) If any Margin or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest is specified in the relevant Final Terms, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest transferable amount of such currency.

**(f) *Calculations***

The amount of interest or premium payable in respect of any Security for any period shall be calculated by multiplying the product of the Rate of Interest or Rate of Premium and the outstanding nominal amount of such Security by the Day Count Fraction, unless an Interest Amount or Premium Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest or premium payable in respect of such Security for such period shall equal such Interest Amount or Premium Amount (or be calculated in accordance with such formula).

**(g) *Determination and Publication of Rates of Interest/Premium and Interest/Premium Amounts***

On such date as the Calculation Agent may be required under this General Condition to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate, calculate such amounts, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amount and/or the Rate of Premium and Premium Amount for each Interest Period and Premium Period and the relevant Interest Payment Date and Premium Payment Date to be notified to the Fiscal Agent, the Issuer (if the Issuer is not the Calculation Agent) each of the Agents, the Securityholders and, if the Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than the fourth Business Day after such determination. Where any Interest Payment Date or Premium Payment Date is subject to adjustment pursuant to General Condition 4(c)(ii), the Interest Amounts and the Interest Payment Date or Premium Amount and Premium Payment Date so published may subsequently be amended (or appropriate

alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period or Premium Period. If the Securities become due and payable under General Condition 8, the accrued interest and the Rate of Interest and/or Rate of Premium payable in respect of the Securities shall nevertheless continue to be calculated as previously in accordance with this General Condition 4 but no publication of the Rate of Interest and/or Rate of Premium or the Interest Amount or Premium Amount so calculated need be made.

**(h) Definitions**

Unless the context otherwise requires and subject to the Final Terms, the following terms shall have the meanings set out below:

**“Aggregate Nominal Amount”** means the aggregate nominal amount of the Securities set out in the Final Terms.

**“Business Centre”** means each of the places so specified in the Final Terms.

**“Business Day”** means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a TARGET Business Day; and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest and/or premium on any Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period and/or a Premium Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual – ISDA”** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if **“Actual/360”** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**“Y<sub>1</sub>”** is the year, expressed as a number, in which the first day of the Calculation Period falls;



“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30;

(vii) if “**Actual/Actual–ICMA**” is specified in the relevant Final Terms:

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
  - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
  - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

where:

“**Determination Date**” means the dates specified as such in the relevant Final Terms or, if none is so specified, the Interest Payment Dates and/or Premium Payment Dates;

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Designated Maturity**” means the period set out in the Final Terms.

“**Interest Amount**” means the amount of interest payable in respect of a Security on an Interest Payment Date as specified in the Final Terms or calculated under this General Condition.

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Final Terms.

“**Interest Payment Date**” means each Interest Payment Date specified in the Final Terms.

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“**ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.

**“Premium Amount”** means the amount of any premium payable in respect of a Security on a Premium Payment Date as specified in the Final Terms or calculated under this General Condition.

**“Premium Commencement Date”** means the Issue Date or such other date as may be specified in the Final Terms.

**“Premium Payment Date”** means each Premium Payment Date specified in the Final Terms.

**“Premium Period”** means the period beginning on (and including) the Premium Commencement Date and ending on (but excluding) the first Premium Payment Date and each successive period beginning on (and including) a Premium Payment Date and ending on (but excluding) the next succeeding Premium Payment Date.

**“Rate of Interest”** means the rate of interest payable from time to time in respect of a Security as specified in the Final Terms or calculated under this General Condition.

**“Rate of Premium”** means the rate of premium payable from time to time in respect of a Security as specified in the Final Terms.

## **5 Redemption, Purchase and Options**

### **(a) *Redemption by Instalments and Final Redemption***

- (i) Unless previously redeemed or purchased and cancelled, each Security that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the Final Terms. The outstanding nominal amount of each such Security shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Security, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed or purchased and cancelled, each Security shall be redeemed on the Maturity Date specified in the Final Terms at its Redemption Amount (which, unless otherwise provided, shall be its Nominal Amount) or, in the case of a Security falling within paragraph (i) above, its final Instalment Amount.

### **(b) *Early Redemption***

The Early Redemption Amount payable in respect of any Security upon redemption of such Security pursuant to General Condition 5(c) or upon it becoming due and payable as provided in General Condition 8, shall be the amount determined by the Issuer that, in the case of redemption pursuant to General Condition 5(c) on a day prior to the due date for redemption selected by the Issuer in its sole and absolute discretion or, in the case of redemption pursuant to General Condition 8, on the due date for redemption of such Security is equal to the fair market value of such Security determined by it.

### **(c) *Redemption for Illegality Reasons***

If the Issuer shall have determined in good faith that the performance of any of its obligations under the Securities or that any arrangements made to hedge its obligations under the Securities shall have or will become, in whole or in part, unlawful, illegal, or otherwise contrary to any present or future law, rule, regulation, judgment, order, directive, policy or request of any governmental, administrative, legislative or judicial authority or

power (but, if not having the force of law, only if compliance with it is in accordance with the general practice of persons to whom it is intended to apply), or any change in the interpretation thereof (an “**Illegality**”), then the Issuer may, if and to the extent permitted by applicable law, either (a) make such adjustment to the Conditions as may be permitted by any applicable Asset Terms or (b) having given not more than 30 nor less than 15 days’ notice to Securityholders in accordance with General Condition 12, redeem the Securities at their Early Redemption Amount. In the case of (b) no payment of the Redemption Amount shall be made after such notice has been given.

**(d) Redemption at the Option of the Issuer**

If Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Securityholders (or such other notice period as may be specified in the Final Terms) redeem, all or, if so provided, some, of the Securities on any Optional Redemption Date specified in the Final Terms at their Optional Redemption Amount specified in the Final Terms. Any such redemption must relate to Securities of a nominal amount at least equal to the minimum nominal amount to be redeemed and no greater than the maximum nominal amount to be redeemed specified in the Final Terms.

All Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this General Condition.

In the case of a partial redemption, the Securities to be redeemed shall be selected in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange, Clearing System and other relevant requirements and holders of Registered Notes shall be notified separately if their Securities have been selected.

**(e) Redemption at the Option of Securityholders**

If Put Option is specified in the Final Terms, the Issuer shall, at the option of the holder of any such Security, upon the holder of such Security giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified in the Final Terms) redeem such Security on the Optional Redemption Date(s) specified in the Final Terms at its Optional Redemption Amount specified in the Final Terms. No such option may be exercised if the Issuer has given notice of redemption of the Securities.

In the case of Securities not held in or on behalf of a Clearing System, to exercise such option the holder must deposit a duly completed option exercise notice (“**Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period together with (in the case of Bearer Securities) the Global Security with any Paying Agent or (in the case of Registered Securities) with the Registrar or any Transfer Agent at its specified office.

**(f) Purchases**

The Issuer and any subsidiary or affiliate of the Issuer may at any time purchase Securities (provided that such Securities are purchased with all rights to receive all future payments of interest and Instalment Amounts (if any)) in the open market or otherwise at any price and may hold, resell or cancel them.

**(g) Reference to Principal**

References to principal shall be deemed to include, wherever the context so admits, any amounts payable under the Securities other than by way of interest.

**6 Payments**

**(a) Bearer Securities**

Payments in respect of Bearer Securities shall be made against presentation and annotation or, if no further payment is to be made, surrender of the Global Security at the specified office of any Paying Agent outside the United States by transfer to an account denominated in the Settlement Currency with a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET2 System.

**(b) Registered Securities**

Payments in respect of Registered Securities shall be made to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments on each Registered Security shall be made in the Settlement Currency by cheque drawn on a bank and mailed to the holder (or to the first-named of joint holders) of such Security 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 may be made by transfer to an account in the Settlement Currency specified by the payee with a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET2 System.

**(c) Discharge of Obligation**

The holder of a Global Security or Global Certificate shall be the only person entitled to receive payments in respect of Securities represented by such Global Security or Global Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Security or Global Certificate in respect of each amount so paid. Each of the persons shown in the records of the relevant Clearing System as the holder of a particular nominal amount of Securities represented by such Global Security or Global Certificate must look solely to such Clearing System for its share of each payment so made. No person other than the holder of such Global Security or Global Certificate shall have any claim against the Issuer in respect of any payments due on that Global Security or Global Certificate.

**(d) Payments Subject to Laws**

All payments are subject in all cases to any applicable fiscal and other laws, regulations and directives.

**(e) Appointment of Agents**

The Agents initially appointed by the Issuer and their respective specified offices are specified in the Final Terms. The Agents act solely as agents of the Issuer and neither the Issuer nor any of the Agents assumes any obligation or relationship of agency or trust of a fiduciary nature for or with any Securityholder. The Issuer may at any time vary or terminate the appointment of any Agent and appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Securities, (iii) a Transfer Agent in relation to Registered Securities and (iv) so long as the Securities are listed on any stock exchange and the rules of that stock exchange or the relevant competent authority

so require, such Paying Agents or other agents as may be required by the rules of such stock exchange or competent authority.

Notice of any such change or any change of any specified office shall promptly be given to the Securityholders.

**(f) Non-Business Days**

If any date for payment in respect of any Security is not a business day, the holder shall not be entitled to payment until the next following business day or to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day which is a Currency Business Day and, where presentation is required, a Banking Day in the relevant place of presentation.

## **7 Prescription**

Claims against the Issuer for payment in respect of Bearer Securities shall be prescribed and become void unless the Global Security is presented for payment within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date. “**Relevant Date**” means, in respect of any payment, (i) the date on which such payment first becomes due and payable or (ii) if the full amount of moneys payable has not been received by the Fiscal Agent on or prior to such date, the date on which, the full amount of such moneys having been so received, notice to that effect is given to the Securityholders in accordance with General Condition 12.

## **8 Events of Default**

If any one or more of the following events (each, an “**Event of Default**”) has occurred and is continuing:

- (a) the Issuer fails to pay any amount due on the Securities within 30 days after the due date; or
- (b) the Issuer is (or could be deemed by law or court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, initiates or becomes subject to proceedings relating to itself under any applicable bankruptcy, liquidation, insolvency, composition administration or insolvency law proposes or makes a stay of execution, a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer,

then the holder of any Security may by notice in writing given to the Fiscal Agent at its specified office, declare such Security immediately due and payable, whereupon such Security shall become redeemable at its Early Redemption Amount unless prior to the time when the Fiscal Agent receives such notice all Events of Default have been cured.

## **9 Meeting of Securityholders and Modifications**

**(a) Meetings of Securityholders**

The Agency Agreement contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of the Conditions. Such a meeting may be convened by Securityholders holding not less than one tenth in nominal amount of the Securities for the time being outstanding.

The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Securityholders whatever the nominal amount of the Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend any date for payment on the Securities, (ii) to reduce or cancel the nominal amount of, or any other amount payable or deliverable on redemption of, the Securities, (iii) to reduce the rate or rates of interest in respect of the Securities, (iv) to vary any method of, or basis for, calculating any amount payable on the Securities or deliverable in respect of the Securities, (v) to vary the currency or currencies of payment or denomination of the Securities, (vi) to take any steps that may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (vii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Securityholders (whether or not they were present at the meeting at which such resolution was passed).

**(b) Modification**

The Issuer may modify the Conditions without the consent of any Securityholder for the purposes of (i) curing any ambiguity or correcting or supplementing any provision contained in them in any manner which the Issuer may deem necessary or desirable provided that such modification is not, in the determination of the Issuer, prejudicial to the interests of the Securityholders or (ii) correcting a manifest error. Notice of any such modification will be given to the Securityholders.

## **10 Substitution of the Issuer**

The Issuer, or any previously substituted company, may at any time, without the consent of the Securityholders, substitute for itself as principal obligor under the Securities any company (the “**Substitute**”), being any Affiliate of the Issuer or another company with which it consolidates, into which it merges or to which it sells, leases, transfers or conveys all or substantially all its property, subject to:

- (i) where the Substitute is an Affiliate of the Issuer, the Substitute having a long-term unsecured debt rating equal to or higher than that of the Issuer given by Moody’s Investors Service, Inc. (or an equivalent rating from another internationally recognised rating agency) or having the benefit of a guarantee from the Issuer or another Affiliate of the Issuer with such a debt rating;
- (ii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
- (iii) the Issuer shall have given at least 30 days’ prior notice of the date of such substitution to the Securityholders in accordance with General Condition 12.

In the event of any substitution of the Issuer, any reference in the Conditions to the Issuer shall thenceforth be construed as a reference to the Substitute.

“**Affiliate**” means any entity controlled, directly or indirectly by the Issuer, any entity that controls, directly or indirectly, the Issuer and any entity under common control with the Issuer.

The Issuer shall also have the right upon notice to Securityholders in accordance with General Condition 12 to change the office through which it is acting for the purpose of the Securities, the date of such change to be specified in such notice provided that no change can take place prior to the giving of such notice.

## **11 Further Issues**

The Issuer may from time to time without the consent of the Securityholders create and issue further Securities having the same terms and conditions as the Securities (so that, for the avoidance of doubt, references in the conditions of such Securities to “**Issue Date**” shall be to the first issue date of the Securities) and so that the same shall be consolidated and form a single series with such Securities, and references in these Conditions to “**Securities**” shall be construed accordingly.

## **12 Notices**

Notices to the holders of Securities which are listed on a stock exchange shall be given in such manner as the rules of such exchange or the relevant authority may require (in the case of the Luxembourg Stock Exchange by publication on [www.bourse.lu](http://www.bourse.lu) and, in the case of SIX Swiss Exchange AG on the SIX Swiss Exchange AG website [www.swx.com](http://www.swx.com)). In addition, so long as any Securities are held in or on behalf of a Clearing System, notices to the holders of such Securities may be given by delivery of the relevant notice to that Clearing System for communication by it to entitled accountholders or by delivery of the relevant notice to the holder of the relevant Global Security or Global Certificate. Notices to the holders of Securities may also be given by publication in the newspaper specified in the Final Terms or such other leading newspaper of general circulation as the Issuer may determine. Any such notice shall be deemed to have been given on the weekday following such delivery or, where notices are so published, on the date of such publication or, if published more than once or on different dates, on the date of the first such publication. Notices to the holders of Registered Securities may alternatively 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.

Notices to be given by a Securityholder shall (in the case of a Security not held in or on behalf of a Clearing System) be in writing and given by being lodged with an Agent. Where Securities are held in or on behalf of a Clearing System, such notices may be given by the holder of a Security through the relevant Clearing System in such manner as the relevant Clearing System may approve for this purpose together with confirmation from the Clearing System of the Securityholder’s holding of Securities.

Where Securities are held in or on behalf of a Clearing System but such Clearing System does not permit notices to be sent through it, such notices may be given by the relevant Securityholder in writing by being lodged with an Agent, subject to the Securityholder providing evidence from the Clearing System satisfactory to the Issuer of the Securityholder’s holding of Securities.

## **13 Calculations and Determinations**

Neither the Issuer nor the Calculation Agent shall have any responsibility for good faith errors or omissions in its calculations and determinations, whether caused by negligence or otherwise. The calculations and determinations of the Issuer or Calculation Agent shall be made in accordance with the Conditions having regard in each case to the criteria stipulated therein and (where relevant) on the basis of information provided to or obtained by employees or officers of the Issuer or Calculation Agent responsible for making the relevant calculation or determination and



shall, in the absence of manifest error, be final, conclusive and binding on Securityholders. Neither the Issuer nor the Calculation Agent assumes any obligation or relationship of agency or trust or of a fiduciary nature for or with any Securityholder. Nothing in the Conditions shall exclude or restrict any duty or liability arising under the regulatory framework applicable to any person authorised by the Financial Services Authority.

## 14 Third Parties

No person shall have any right to enforce any of the Conditions of the Securities under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Securities expressly provide for such Act to apply to any of their terms.

## 15 Miscellaneous Definitions

References to “**AUD**” are to Australian dollars, references to “**CAN**” are to Canadian dollars, references to “**DKr**” are to Danish Krone, references to “**EUR**” and “**€**” are to euro, references to “**GBP**” and “**£**” are to pounds sterling, references to “**HK\$**” and “**HKD**” are to Hong Kong dollars, references to “**JPY**” and “**¥**” are to Japanese yen, references to “**Nkr**” and “**NOK**” are to Norwegian Kroner, references to “**SGD**” are to Singapore dollars, references to “**SEK**” and “**SKr**” are to Swedish Kronor, references to “**CHF**” and “**Sfr**” are to Swiss Francs and references to “**USD**” and “**U.S.\$**” are to United States dollars.

“**Banking Day**” means, in respect of any city, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in such city.

“**Currency Business Day**” means a day which is a Banking Day in the Financial Centre(s) if any (as specified in the relevant Final Terms) and on which (unless the Settlement Currency is euro) commercial banks and foreign exchange markets are generally open to settle payments in the city or cities determined by the Issuer to be the principal financial centre(s) for the Settlement Currency, and if the Settlement Currency is euro, which is also a TARGET Business Day.

“**Financial Centre**” means each of the places so specified in the Final Terms.

“**Settlement Currency**” means the currency in which a payment is to be made.

“**TARGET Business Day**” means a day on which the TARGET2 System or any successor thereto is operating, where “**TARGET2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System.

## 16 Governing Law and Jurisdiction

The Securities and any non-contractual obligations arising out of or in relation to the Securities are governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees for the benefit of the Securityholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Securities 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.

The Issuer irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and the Branch and may be enforced

in the courts of any other jurisdiction. Nothing in this General Condition 16 shall limit any right to take Proceedings against the Issuer or the Branch in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Issuer appoints its London Branch as its agent for service of process in England in respect of any Proceedings.

## **SUMMARY OF PROVISIONS RELATING TO NOTES WHILE IN GLOBAL FORM**

### **1. Relationship of Accountholders with Clearing Systems**

Each of the persons shown in the records of a Clearing System as the holder of a Security represented by a Global Security or a Global Certificate must look solely to such Clearing System for its share of each payment made by the Issuer to the bearer of such Global Security or the holder of the Global Certificate, as the case may be, and in relation to all other rights arising under the Global Security or Global Certificate, subject to and in accordance with the respective rules and procedures of such Clearing System.

So long as the Securities are represented by a Global Security or Global Certificate and the relevant Clearing System(s) so permit, the Securities shall be tradable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided hereon and integral multiples of the Tradable Amount in excess thereof provided in the relevant Final Terms.

### **2. Global Certificates**

If the Securities are held in a Clearing System and are represented by a Global Certificate, the following will apply in respect of transfers of Securities. These provisions will not prevent the trading of interests in the Securities within a Clearing System (which will be subject to the rules and procedures of the relevant Clearing System), but will limit the circumstances in which the Securities may be withdrawn from the relevant Clearing System.

Transfers of the holding of Securities represented by any Global Certificate pursuant to General Condition 2 may only be made in part:

- (i) if the relevant 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 Securities 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 2(i) or 2(ii) above, the person in whose name the Securities are registered has given the Registrar not less than 30 days' notice at its specified office of its intention to effect such transfer.

No such transfer may be made during the period from the date of selection of Securities to be redeemed pursuant to General Condition 5(d) to the date of their redemption.

### **3. Deed of Covenant**

Under the Deed of Covenant the Issuer has covenanted in favour of the Securityholders from time to time that if principal in respect of any Securities is not paid when due, it will make payment of the unpaid amounts in respect of the Securities to the relevant Clearing Systems for crediting to the accounts of the relevant Securityholders in accordance with the rules and procedures of the relevant Clearing System.

## SCHEDULE 2

### EQUITY INDEX-LINKED SECURITIES

#### 1 Definitions

**“Additional Disruption Event”** means a Change in Law, a Hedging Disruption and/or an Increased Cost of Hedging, as specified to be applicable in the Final Terms.

**“Averaging Date”** means, subject as provided in Asset Term 2, each date so specified in the Final Terms.

**“Change in Law”** means that, on or after the Issue Date of the relevant Securities, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange (an **“Applicable Regulation”**), 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 Issuer determines that (X) it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of any securities comprised in the Index or any futures or options contracts relating to such securities or (if the Issuer in its discretion so determines) any depositary receipts in respect of such securities, or (Y) it will incur a materially increased cost in performing its obligations with respect to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

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

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

**“Exchange”** means in respect of any securities comprised in an Index, the stock exchange(s) or quotation system(s) (from time to time) on which, in the determination of the Sponsor for the purposes of that Index, such securities are listed or quoted and, if the Issuer in its discretion so determines, on which any depositary receipts in respect of such securities are listed or quoted in which event references to the securities comprised in an Index may, where the Issuer determines the context to permit, include such depositary receipts.

**“Exchange Business Day”** means (i) in respect of each Index other than a Multi-Exchange Index, any Scheduled Trading Day on which each Exchange and each Related Exchange are

open for trading during their respective regular trading sessions and (ii) in respect of a Multi-Exchange Index, any Scheduled Trading Day on which the Sponsor publishes the level of the Index and each Related Exchange is open for trading during its regular trading session, notwithstanding in either case any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means, in respect of an Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Issuer) the ability of market participants in general (i) to effect transactions in, or obtain market values for, (in the case of a Multi-Exchange Index) any security comprised in the Index (and, if the Issuer in its discretion so determines, any depositary receipts in respect of such securities) on any relevant Exchange or (in the case of any other Index) securities that comprise 20 per cent or more of the level of the Index on any relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options relating to the relevant Index on any relevant Related Exchange.

**“Hedge Proceeds”** means the cash amount in euro and/or U.S. dollars and/or the Settlement Currency constituting the proceeds received by the Issuer and/or its affiliates in respect of any Hedging Arrangements; for the avoidance of doubt, Hedge Proceeds shall not be less than zero.

**“Hedging Arrangements”** means any hedging arrangements entered into by the Issuer and/or its affiliates at any time with respect to the Securities, including without limitation the purchase and/or sale of any securities, any options or futures on such securities, any depositary receipts in respect of such securities and any associated foreign exchange transactions.

**“Hedging Disruption”** means that the Issuer (and/or its affiliates) is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of the Issuer entering into and performing its obligations with respect to the Securities, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**“Increased Cost of Hedging”** means that the Issuer and/or its affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Securities) amount of tax, duty expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of the Issuer entering into and performing its obligations with respect to the Securities, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or its affiliates shall not be deemed an Increased Cost of Hedging.

**“Index”** means, subject as provided in Asset Term 2, the Index (or if more than one, each Index) specified in the Final Terms.

**“Index Disruption Event”** means, in respect of an Index, the occurrence of (i) a Disrupted Day (ii) a change of the sponsor of the relevant Index (iii) non-calculation of the relevant Index (iv) non-publication of the relevant Index (v) a change in the formula or method of calculating the relevant Index (vi) a correction of a previously published Index Level or (vii) any other event which, in the Issuer’s opinion, disrupts or impairs the determination of the Index Level.

**“Index Level”** means, on any relevant Scheduled Trading Day, the level of the relevant Index determined by the Issuer as at the relevant Valuation Time on such Scheduled Trading Day, as calculated and published by the relevant Sponsor.

**“Initial Averaging Date”** means, subject as provided in Asset Term 2, each date so specified in the Final Terms.

**“Initial Setting Date”** means, subject as provided in Asset Term 2, the date so specified in the Final Terms.

**“Interim Valuation Date”** means, subject as provided in Asset Term 2, any date so specified in the Final Terms.

**“Jurisdictional Event”** means, in respect of an Index (i) any event which occurs, whether of general application or otherwise and which occurs as a result of present or future risks in or connected with the jurisdiction of the Jurisdictional Event Jurisdiction including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including without limitation those relating to taxation) and other legal and/or sovereign risks, or (ii) the Issuer determines that it and/or any affiliate is not able to buy and/or sell securities comprised in such Index or shares of companies whose depository receipts are comprised in such Index (**“Related Shares”**) with or for a currency acceptable to the Issuer on the relevant Exchange (or the exchange or quotation system on which the relevant Related Shares are listed or quoted) or the relevant Exchange (or exchange or quotation system) fails to calculate and publish the equivalent, in a currency acceptable to the Issuer, of the share price of such shares on a day on which the Issuer determines that such calculation and publication was otherwise expected to be made and in the case of (i) and (ii) which has or may have (as determined in the absolute discretion of the Issuer) the effect of reducing or eliminating the value of the Hedge Proceeds at any time.

**“Jurisdictional Event Jurisdiction”** means each country so specified in the Final Terms.

**“Market Disruption Event”** means, in respect of an Index, the occurrence or existence on any Scheduled Trading Day of a Trading Disruption or an Exchange Disruption which in either case the Issuer determines is material or an Early Closure provided that, in the case of a Multi-Exchange Index, (other than where the Market Disruption Event relates to futures or options contracts relating to that Index) the securities comprised in the Index in respect of which an Early Closure, Exchange Disruption and/or Trading Disruption occurs or exists amount, in the determination of the Issuer, in aggregate to 20 per cent. or more of the level of the Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the relevant Index at any time, then the relevant percentage contribution of that security to the level of the relevant Index shall be based on a comparison of (x) the portion of the level of the relevant Index attributable to that security and (y) the overall level of the relevant Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Issuer.

**“Multi-Exchange Index”** means an Index in respect of which there is more than one Exchange.

**“Observation Date”** means, subject as provided in Asset Term 2, each date so specified in the Final Terms.

**“Observation Period”** means, subject as provided in Asset Term 2, the period so specified in the Final Terms.

**“Related Exchange(s)”** means, in respect of an Index, 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 such Index.

**“Relevant Exchange Rate”** means the reference exchange rate for the conversion of the relevant currency into the Settlement Currency (or, if no such direct exchange rates are published, the effective rate resulting from the application of rates into and out of one or more intermediate currencies) as the Issuer may determine to be the prevailing spot rate for such exchange.

**“Required Exchange”** means, unless otherwise specified in the Final Terms, in respect of any of the following Indices, the following Exchanges:

<b>Index</b>	<b>Required Exchange(s)</b>
Credit Suisse Agriculture Index	London Stock Exchange, New York Stock Exchange and Hong Kong Stock Exchange
Credit Suisse Global Alternative Energy Index.....	London Stock Exchange, New York Stock Exchange and Tokyo Stock Exchange
Credit Suisse Global Warming Index.....	London Stock Exchange, New York Stock Exchange and Tokyo Stock Exchange
Credit Suisse Healthy Living Index.....	London Stock Exchange, New York Stock Exchange and Tokyo Stock Exchange
Credit Suisse Nordics Index .....	Copenhagen Stock Exchange, NASDAQ OMX Helsinki, NASDAQ OMX Stockholm and Oslo Børs
Credit Suisse Water Index .....	London Stock Exchange, New York Stock Exchange and Tokyo Stock Exchange
HS60 Europe Index.....	London Stock Exchange
HS60 Index .....	London Stock Exchange, New York Stock Exchange and Tokyo Stock Exchange
HS Market Neutral Index .....	London Stock Exchange, New York Stock Exchange and Tokyo Stock Exchange

and, in respect of any other Indices, the Exchanges specified in the Final Terms.

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

**“Scheduled Trading Day”** means, in respect of an Index other than a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions and, in the case of a Multi-Exchange Index, any day on which the Sponsor is scheduled to publish the level of the Index and each Required Exchange (if any) and each Related Exchange are scheduled to be open for trading for their regular trading sessions.

**“Sponsor”** means, in relation to an Index, the corporation or other entity as determined by the Issuer 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 during each Scheduled Trading Day failing whom such person acceptable to the Issuer who calculates and announces the Index or any agent or person acting on behalf of such person.

**“Trading Disruption”** means, in respect of an Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) on any relevant Exchange(s) relating to (in the case of a Multi-Exchange Index) any security comprised in the Index or (in the case of any other Index) securities that comprise 20 per

cent or more of the level of the Index), or (ii) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

**“Valuation Date”** means (other than in the case of Warrants), subject as provided in Asset Term 2, the date so specified in the Final Terms.

**“Valuation Time”** means, in respect of an Index, (i) for the purposes of determining whether a Market Disruption Event has occurred in relation to a Multi-Exchange Index, (a) in respect of any component security, the Scheduled Closing Time on the Exchange in respect of such security, and (b) in respect of any options or futures contracts on the Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time specified as such in the relevant Final Terms or, if no such time is specified, the time with reference to which the Sponsor calculates the closing level of such Index, or in any such case, such other time as the Issuer may determine in its absolute discretion and notify to Securityholders in accordance with the General Conditions.

## **2 Non-Business Days, Modification or Discontinuation of an Index, Disrupted Days and Other Adjustments**

If a day in respect of which an Index Level is to be determined is not a Scheduled Trading Day or is a Disrupted Day for one or more Indices, such day may be deferred, brought forward or, in the case of a Disrupted Day, omitted in respect of either just the affected Indices or all of the Indices, as determined by the Issuer (as may be more particularly described in the Final Terms).

If there is an Index Disruption Event or an Additional Disruption Event, the Issuer may (i) make its own determination of the relevant Index Level or (ii) make such adjustment to (a) the calculation of the relevant Index Level (b) any amount payable under the Securities (which may include the substitution of an Index with a different index or indices irrespective of whether such index or indices are then currently used for the purposes of the calculation of amounts payable under the Securities) or (c) the timing or nature of any payment under the Securities, in each case as it may, in its discretion, determine to be appropriate. If it determines that it is unable to make such an adjustment, having given not more than 30 nor less than 15 days’ notice to Securityholders in accordance with the General Conditions, the Issuer may redeem the Securities at their fair market value on such day as the Issuer shall select in its sole and absolute discretion. The Issuer may also make such adjustments if it would be entitled to redeem the Securities under the General Conditions for reasons of an Illegality.

Determinations by the Issuer pursuant to this Asset Term shall be made in good faith and in a commercially reasonable manner having regard to market practices. Such determinations shall, in the absence of manifest error, be conclusive and binding on Securityholders.

## **3 Adjustment in respect of Jurisdictional Event**

If the Final Terms specify in relation to an Index that Jurisdictional Event shall apply and, in the determination of the Issuer, a Jurisdictional Event occurs, the Issuer may make such downward adjustment to any amount otherwise payable under the Securities as it shall determine in its absolute discretion to take account of the effect of such Jurisdictional Event on any Hedging Arrangements and any difference between the Hedge Proceeds and the amount which, but for these provisions would otherwise be the amount so payable. The Issuer will use commercially reasonable endeavours to preserve the value of the Hedge Proceeds, but it shall not be obliged to take any measures which it determines, in its sole discretion, to be commercially impracticable.



#### **4** Responsibility

None of the Issuer or the Agents shall have any responsibility in respect of any error or omission or subsequent corrections made in the calculation or announcement of an Index, whether caused by negligence or otherwise.