

Information Memorandum

of

UBS AG

(as Issuer)

(a public company with limited liability established under the laws of Switzerland)

which may also be acting through its London branch

UBS AG, London Branch

(the London branch of UBS AG)



Structured Note Programme

By way of this Information Memorandum, UBS AG, a company with limited liability incorporated under the laws of Switzerland on 28 February 1978 (the "**Issuer**"), which may also be acting through its London Branch ("**UBS AG, London Branch**") consolidates its JSE Placement Document dated 8 February 2016 (**JSE Placement Document**) and its information memorandum dated 10 December 2013 (the **2013 Information Memorandum**) into a single document. Prior to the date of the Information Memorandum, the JSE Placement Document supplemented the 2013 Information Memorandum (together the **Previous Information Memorandum**). With effect from the date of signature of this revised Information Memorandum, this Information Memorandum shall supersede the Previous Information Memorandum.

Under the Structured Note Programme (the "**Programme**") described in this Information Memorandum, the Issuer may from time to time issue notes ("**Notes**") upon the terms and conditions of the Notes. In the context of an issue of Notes under this Programme, from time to time, such Notes may also be referred to as certificates (the "**Certificates**"). For Certificates and structured Notes, the payment of interest (if any) and/or redemption amounts is usually linked to the performance of an underlying. Furthermore, in the context of an issue of Notes under this Programme, from time to time, such Notes may also be referred to as bonds (the "**Bonds**"). Each of the Notes/Bonds/Certificates will be completed or supplemented, by final terms and any relevant Supplemental Terms and Conditions specified therein (the "**Final Terms**") to the Information Memorandum. Notes of any Tranche (a "**Tranche**") will, in the circumstances described in the relevant Final Terms, give the holder (a "**Holder**") thereof certain rights against the Issuer as described therein and in the relevant Final Terms, which rights may include the right to have the principal amount of such Notes repaid by such Issuer at maturity, the right to receive interest based on the principal amount of such Notes or otherwise or the right to receive a cash amount from the Issuer calculated in accordance with the relevant Final Terms, all as more fully described in the relevant Final Terms. The Information Memorandum should be read and construed together with any supplements thereto and with any other document incorporated by reference therein and, in relation to any Notes which are the subject of Final Terms, should be read and construed together with the relevant Final Terms. The Information Memorandum may only be used for the purposes for which it has been published.

The Notes/Certificates/Bonds issued under the Programme may comprise Index Linked Notes/Certificates/Bonds, Equity Linked Notes/Certificates/Bonds, Fund Linked Notes/Certificates/Bonds, Bond Linked Notes/Certificates/Bonds, Commodity Linked Notes/Certificates/Bonds, Currency Linked Notes/Certificates/Bonds, Credit Linked Notes/Certificates/Bonds, Exchangeable Notes/Bonds, Notes/Certificates/Bonds for (Interest) TRENDS-Notes/Certificates/Bonds and Notes/Certificates/Bonds for FX FAST Notes/Certificates/Bonds.

The Issuer has prepared and issued this Information Memorandum, for purposes of listing Notes in the form of registered Notes ("**Registered Notes**") on the Main Board of the JSE Limited (the "**JSE**").

Bearer Notes may not be issued under this Information Memorandum. Notes issued under this Information Memorandum will be denominated in South African Rand only.

The Information Memorandum will apply to all Notes issued by the Issuer under the Programme which are to be listed on the Main Board of the JSE on or after date of this Information Memorandum (the "**Programme Date**") and cleared through the CSD. The Programme has been registered with the JSE.

The Issuer may, subject to the Exchange Control Regulations, 1961, promulgated under the Currency and Exchanges Act, 1933 (the "**Exchange Control Regulations**"), issue listed Notes with the terms described in the Information Memorandum as supplemented and/or amended by the relevant Final Terms. The Issuer will act through UBS AG, London Branch unless otherwise approved by the Financial Surveillance Department of the South African Reserve Bank (the "**SARB**"). The Supplemental Terms and Conditions of the Notes, if any, specified in the Final Terms, will be subject to SARB approval. Unlisted Notes may not be issued under the Programme unless otherwise approved by the SARB. Notes to be issued pursuant to this Information Memorandum will be listed on the Main Board of the JSE. The relevant Final Terms relating to each Tranche of Notes listed on the Main Board of the JSE will be delivered to the JSE and the CSD before the Issue Date, in accordance with section 19 of the JSE Main Board Listings Requirements promulgated by the JSE from time to time, and that Tranche of Notes may then be traded by or through members of the JSE from the date on which that Tranche of Notes listed on the Main Board of the JSE. The Final Terms will specify any rating of the Issuer or the Notes, if any.

The Programme is not rated.

Tranches of Notes issued under the Programme may be rated and, if so, this rating will be available on the Issuer's website and contained in the Final Terms.

The Notes will be fully paid up on the Issue Date and freely transferable. The Issuer will issue Notes in a currency acceptable to the JSE.

The Information Memorandum has been approved by the JSE for:

- (i) the listing of Structured Products in terms of section 19 of the JSE Listings Requirements only; and
- (ii) for the listing of such Structured Products on the Main Board of the JSE only.

The Issuer will not list any debt securities on the JSE. No securities other than Structured Products as defined in the JSE Listings Requirements will be issued by the Issuer under the Information Memorandum for listing on the JSE.

Arranger
UBS South Africa (Pty) Ltd

Sponsor
UBS South Africa (Pty) Ltd

Dealer
UBS South Africa (Pty) Ltd

Date: 16 September 2019

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RISK FACTORS

The purchase of Notes may involve substantial risks and is suitable only for potential investors with the knowledge and experience in financial and business matters necessary to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, potential investors should consider carefully, in the light of their own financial circumstances and investment objectives, all the information set forth in this Information Memorandum.

Prospective purchasers of any Notes should ensure that they understand fully the nature of the Notes and the extent of their exposure to risks, and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial position. Notes involve a high degree of risk, including the risk of the Notes expiring and becoming worthless. Potential investors should be prepared to sustain a total loss of their investment in Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank pari passu in all respects with each other. Purchasers are reminded that the Notes constitute obligations of the Issuer only and of no other person. Therefore, potential purchasers should understand that they are relying on the credit worthiness of the Issuer.

Potential investors in the Notes should recognise that the Notes may decline in value and should be prepared to sustain a total loss of their investment in the Notes.

I. Risk Factors relating to the Notes

1. General Risk Factors relating to the Notes

General

An investment in the Notes entails certain risks, which vary depending on the specification and type or structure of the Notes.

Each potential investor should determine whether an investment in the Notes is appropriate in its particular circumstances. An investment in the Notes requires a thorough understanding of the nature of the relevant transaction. Potential investors should be experienced with respect to an investment, in particular those relating to structured Notes and be aware of the related risks.

An investment in the Notes is only suitable for potential investors who:

- have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes and the information contained or incorporated by reference into the Information Memorandum or any applicable supplement thereto;
- have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of the potential investor's particular financial situation and to evaluate the impact the Notes will have on their overall investment portfolio;
- understand thoroughly the terms of the relevant Notes and are familiar with the behaviour of the relevant underlyings and financial markets;
- are capable of bearing the economic risk of an investment in the Notes until the maturity of the Notes; and
- recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all before maturity.

The trading market for debt securities, such as the Notes, may be volatile and may be adversely impacted by many events.

Interest Rate Risk

The interest rate risk is one of the central risks of interest-bearing Notes. The interest rate level on the money and capital markets may fluctuate on a daily basis and cause the value of the Notes to change on a daily basis. The interest rate risk is a result of the uncertainty with respect to future changes of the market interest rate level. In particular, Noteholders of Fixed Rate Notes are exposed to an interest rate risk that could result in a diminution in value if the market interest rate level increases. In general, the effects of this risk increase as the market interest rates increase.

The market interest level is strongly affected by public budget policy, the policies of the central bank the overall economic development and inflation rates, as well as by foreign interest rate levels and exchange rate expectations. However, the importance of individual factors cannot be directly quantified and may change over time.

The interest rate risk may cause price fluctuations during the term of any Note. The longer the remaining term until maturity of the Notes and the lower their rates of interest, the greater the price fluctuations.

A materialisation of the interest rate risk may result in delay in, or inability to make, scheduled interest payments.

Credit Risk

Noteholders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. The worse the creditworthiness of the Issuer, the higher the risk of loss (see also "Risk Factors relating to the Issuer" below).

A materialisation of the credit risk may result in partial or total failure of the Issuer to make interest and/or redemption payments.

Credit Spread Risk

A credit spread is the margin payable by an Issuer to a Noteholder as a premium for the assumed credit risk. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price.

Factors influencing the credit spread include, among other things, the creditworthiness and rating of the Issuer, probability of default, recovery rate, remaining term to maturity of the Note and obligations under any collateralisation or guarantee and declarations as to any preferred payment or subordination. The liquidity situation, the general level of interest rates, overall economic developments, and the currency, in which the relevant obligation is denominated may also have a negative effect.

Noteholders are exposed to the risk that the credit spread of the Issuer widens which results in a decrease in the price of the Notes.

Rating of the Notes

A rating of Notes, if any, may not adequately reflect all risks of the investment in such Notes. Equally, ratings may be suspended, downgraded or withdrawn. Such suspension, downgrading or withdrawal may have an adverse effect on the market value and trading price of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Reinvestment Risk

Noteholders may be exposed to risks connected to the reinvestment of cash resources freed from any Note. The return the Noteholder will receive from a Note depends not only on the price and the nominal interest rate of the Note but also on whether or not the interest received during the term of the Note can be reinvested at the same or a higher interest rate than the rate provided for in the Note. The risk that the general market interest rate falls below the interest rate of the Note during its term is generally called reinvestment risk. The extent of the reinvestment risk depends on the individual features of the relevant Note.

Cash Flow Risk

In general, Notes provide a certain cash flow. The Terms and Conditions of the Notes and/or the relevant Final Terms set forth under which conditions, on which dates and in which amounts interest and/or redemption amounts are/is paid. In the event that the agreed conditions do not occur, the actual cash flows may differ from those expected.

The materialisation of the cash flow risk may result in the Issuer's inability to make interest payments or in the inability to redeem the Notes, in whole or in part.

Inflation Risk

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on a Note. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

Purchase on Credit – Debt Financing

If a loan is used to finance the acquisition of the Notes by a Noteholder and the Notes subsequently go into default, or if the trading price diminishes significantly, the Noteholder may not only have to face a potential loss on its investment, but it will also have to repay the loan and pay interest thereon. A loan may significantly increase the risk of a loss. Potential investors should not assume that they will be able to repay the loan or pay interest thereon from the profits of a transaction. Instead, potential investors should assess their financial situation prior to an investment, as to whether they are able to pay interest on the loan, repay the loan on demand, and that they may suffer losses instead of realising gains.

Distribution Agent Remuneration

The Issuer may enter into distribution agreements with various financial institutions and other intermediaries as determined by the Issuer (each a "**Distribution Agent**"). Each Distribution Agent will agree, subject to the satisfaction of certain conditions, to subscribe for the Notes at a price equivalent to or below the Issue Price. A periodic fee may also be payable to the Distribution Agents in respect of all outstanding Notes up to and including the maturity date at a rate as determined by the Issuer. Such rate may vary from time to time.

Transaction Costs/Charges

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Note. These incidental costs may significantly reduce or eliminate any profit from holding the Notes. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), potential investors must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

Change of Law

The Terms and Conditions of the Notes will be governed by English law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to English law (or law applicable in England) or administrative practice after the date of this Information Memorandum.

Provision of Information

Neither the Issuer nor any of its affiliates makes any representation as to any issuer of underlying securities or reference entities. Any of such persons may have acquired, or during

the term of the Notes may acquire, non-public information with respect to an issuer of the underlying securities or reference entities, their respective affiliates or any guarantors that is or may be material in the context of equity or credit linked Notes. The issue of equity or credit linked Notes will not create any obligation on the part of any such persons to disclose to the Noteholders or any other party such information (whether or not confidential).

Potential Conflicts of Interest

Each of the Issuer, the manager(s) or their respective affiliates may deal with and engage generally in any kind of commercial or investment banking or other business with any issuer of underlying securities or reference entities, their respective affiliates or any guarantor or any other person or entities having obligations relating to any issuer of underlying securities or reference entities or their respective affiliates or any guarantor in the same manner as if any equity or credit linked Notes issued under the Programme did not exist, regardless of whether any such action might have an adverse effect on an issuer of the underlying securities or reference entities, any of their respective affiliates or any guarantor.

The Issuer may from time to time be engaged in transactions involving the underlying securities or reference entities, the Index, Index Components or related derivatives or Relevant Commodities which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the Calculation Agent and the Noteholders, including with respect to certain discretionary determinations and judgements that the Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

Protection Amount

Notwithstanding the risk of an insolvency of the Issuer and the associated risk of a total loss of the investment made by the Noteholder, if and to the extent that a Protection Amount has been declared applicable in the relevant Final Terms, the Notes of the Series will, at maturity, be redeemed for an amount no less than the specified Protection Amount. A Protection Amount may apply at a level below, at, or above the principal amount/par value of a Note. The Protection Amount, if any, will not be due if the Notes are redeemed prior to their stated maturity or upon the occurrence of an Event of Default or upon the occurrence of a Tax Call (if applicable). If no Protection Amount is applicable the full amount invested by the Noteholder may be lost. Even if a Protection Amount applies, the guaranteed return may be less than the investment made by the Noteholder. The payment of the protection amount may be affected by the condition (financial or otherwise) of the Issuer. Hence, the risk of an insolvency of the Issuer also exists in case of a Protection Amount.

Exchange Rates

Potential investors should be aware that an investment in the Notes may involve exchange rate risks. For example the underlying securities or other reference assets, such as but not limited to shares or the Relevant Commodities (the "**Reference Assets**") may be denominated in a currency other than that of the settlement currency for the Notes; the Reference Assets may be denominated in a currency other than the currency of the purchaser's home jurisdiction; and/or the Reference Assets may be denominated in a currency other than the currency in which a purchaser wishes to receive funds. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro economic factors, speculation and central bank and Government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes or the Reference Assets.

If the Notes show a "Dual Currency" feature, payments (whether in respect of repayment or interest and whether at maturity or otherwise) will be made in such currencies and based on such rates of exchange as may be specified in the Final Terms. The Noteholder may be exposed to currency risk in such event.

Taxation

Potential investors should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Notes. Potential investors are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

The Foreign Account Tax Compliance Act ("**FATCA**") generally imposes a 30% U.S. withholding tax on payments of certain U.S. source interest, dividends and certain other fixed or determinable annual or periodical income, on the gross proceeds from the sale, maturity, or other disposition of certain assets after 31 December 2018 and on certain "foreign passthru payments" made after 31 December 2018 (or, if later, the date that final regulations defining the term "foreign passthru payments" are published) made to certain foreign financial institutions (including most foreign hedge funds, private equity funds and other investment vehicles) unless the payee foreign financial institution agrees to disclose the identity of any U.S. individuals and certain U.S. entities that directly or indirectly maintain an account with, or hold debt or equity interests in, such institution (or the relevant affiliate) and to annually report certain information about such account or interest directly, or indirectly, to the IRS (or to a non-U.S. governmental authority under a relevant Intergovernmental Agreement entered into between such non-U.S. governmental authority and the United States, which would then provide this information to the IRS). FATCA also requires withholding agents making certain payments to certain non-financial foreign entities that fail to disclose the name, address, and taxpayer identification number of any substantial direct or indirect U.S. owners of such entity to withhold a 30% tax on such payments.

Accordingly, the Issuer and other foreign financial institutions may be required under FATCA to report certain account information about holders of the Securities directly to the IRS (or to a non-U.S. governmental authority as described above). Moreover, the Issuer may be required to withhold on a portion of payments made on the Securities to (i) holders who do not provide any information requested to enable the Issuer to comply with FATCA, or (ii) foreign financial institutions who fail to comply with FATCA.

Securityholders holding their Securities through a foreign financial institution or other foreign entity should be aware that any payments under the Securities may be subject to 30% withholding tax under FATCA. If an amount in respect of such withholding tax under FATCA were to be deducted or withheld from payments on the Securities, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding of such tax. Securityholders should, consequently, be aware that payments under the Securities may under certain circumstances be subject to U.S. withholding under FATCA and should consult with their tax advisors regarding the application of withholding tax under FATCA in respect of their acquisition and ownership of the Securities.

Section 871(m)

A 30 per cent. withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a Non-U.S. Holder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. Treasury regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("delta one specified equity-linked instruments") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2018.

The Issuer will determine whether dividend equivalents on the Notes are subject to withholding as of the close of the relevant market(s) on the pricing date and the relevant Final Terms will indicate whether the Notes are specified equity-linked instruments that are subject

to withholding on dividend equivalents. If withholding is required, the Issuer (or the applicable paying agent) will withhold 30 per cent. in respect of dividend equivalents paid or deemed paid on the Notes and will not pay any additional amounts with respect to any such taxes withheld. The Issuer will withhold this amount regardless of whether an investor is a United States Person for U.S. federal income tax purposes or a non-United States Person that may otherwise be entitled to an exemption or reduction of tax on U.S. source dividend payments pursuant to an income tax treaty.

Even if the Issuer determines that your Notes are not specified equity-linked instruments that are subject to withholding on dividend equivalents, it is possible that your Notes could be deemed to be reissued for tax purposes upon the occurrence of certain events affecting the underlying shares or your Notes (including, but not limited to, a substitution of the obligor under the Notes), and following such occurrence your Notes could be treated as specified equity-linked instruments that are subject to withholding on dividend equivalent payments. It is also possible that withholding tax or other Section 871(m) tax could apply to the Notes under these rules if a Non-U.S. Holder enters, or has entered, into certain other transactions in respect of the underlying shares. As describe above, if withholding is required, the Issuer will withhold 30 per cent. in respect of dividend equivalents paid or deemed paid on the Notes and will not pay any additional amounts with respect to any such taxes withheld.

Additionally, in the event that withholding is required, the Issuer hereby notifies each holder that for the purposes of Section 871(m), the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Notes on the dividend payment date as described in Treasury regulations section 1.1441-2(e)(4) and section 3.03(B) of the form of Qualified Intermediary Agreement contained in Revenue Procedure 2017-15, as applicable, regardless of whether such investor would otherwise be entitled to an exemption from or reduction of withholding on such payments (e.g., a United States Person for U.S. federal income tax purposes or a non-United States person eligible for an exemption from or reduction in withholding pursuant to an income tax treaty). **No assurance can be given that an investor will be able to successfully claim a refund of the tax withheld in excess of the tax rate that would otherwise apply to such payments.**

Holders should consult with their tax advisors regarding the application of Section 871(m) and the regulations thereunder in respect of their acquisition and ownership of the Notes, including a Non-U.S. Holder that enters, or has entered, into other transactions in respect of the underlying shares.

No Deposit Protection

The Notes issued under the Programme are not bank deposits: An investment in the Notes carries risks which are very different from the risk profile of a bank deposit placed with UBS or its affiliates. The Notes have different yield, liquidity and risk profiles and would not benefit from any protection provided to deposits.

Independent Review and Advice

Each potential investor must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. Without independent review and advice, an investor may not adequately understand the risks inherent with an investment in the Notes and may lose parts or all of his capital invested without taking such or other risks into consideration before investing in the Notes.

A potential investor may not rely on the Issuer, the manager(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Risks associated with an Early Redemption

Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Switzerland, the United Kingdom, Germany and/or on behalf of any other relevant jurisdiction, as the case may be, or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions of the Notes.

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

Possible decline in value of an underlying following an early redemption at the option of the Issuer in case of Notes linked to an underlying

In case of a Tranche of Notes which are linked to an underlying and if such Notes are redeemed early by the Issuer, potential investors must be aware that any decline in the price of the underlying between the point of the early redemption announcement and determination of the price of the underlying used for calculation of the early redemption amount shall be borne by the Noteholders.

No Noteholder right to demand early redemption if not specified otherwise

If the relevant Final Terms do not provide otherwise, Noteholders have no right to demand early redemption of the Notes during the term. In case the Issuer has the right to redeem the Notes early but provided that the Issuer does not exercise such right and it does not redeem the Notes early in accordance with the Terms and Conditions of the Notes, the realisation of any economic value in the Notes (or portion thereof) is only possible by way of their sale.

Sale of the Notes is contingent on the availability of market participants willing to purchase the Notes at a commensurate price. If no such willing purchasers are available, the value of the Notes cannot be realised. The issue of the Notes entails no obligation on the part of the Issuer *vis-à-vis* the Noteholders to ensure market equilibrium or to repurchase the Notes.

Further factors influencing the value of the Notes in case of Notes linked to an underlying

The value of a Note is determined not only by changes in market prices, changes in the price of an underlying, but also by several other factors. More than one risk factor can influence the value of the Notes at any one time, so that the effect of an individual risk factor cannot be predicted. Moreover, more than one risk factor may have a compounding effect that is also unpredictable. No definitive statement can be made with respect to the effects of combined risk factors on the value of the Notes.

These risk factors include the term of the Note and the frequency and intensity of price fluctuations (volatility) of the underlying as well as general interest and dividend levels. Consequently, the Note may lose value even if the price of an underlying remains constant.

Potential investors should thus be aware that an investment in the Notes entails a valuation risk with respect to an underlying. Potential investors should have experience in transactions with Notes having values based on their respective underlying. The value of an underlying is subject to fluctuations that are contingent on many factors, such as the business activities of UBS AG, macroeconomic factors and speculation. If an underlying comprises a basket of individual components, fluctuations in the value of a single component may be either offset or

amplified by fluctuations in the value of the other components. Additionally, the historical performance of an underlying is not an indication of future performance. The historical price of an underlying does not indicate future performance of such underlying. Changes in the market price of an underlying affect the trading price of the Notes, and it cannot be foreseen whether the market price of an underlying will rise or fall.

If the right represented by the Note is calculated using a currency, currency unit or unit of account other than the currency of the Note, or if the value of an underlying is determined in such a currency, currency unit or unit of account other than the currency of the Note, potential investors should be aware that an investment in the Notes may entail risks based on exchange rate fluctuations, and that the risk of loss is not based solely on the performance of an underlying, but also on unfavourable developments in the value of the foreign currency, currency unit or unit of account. Such unfavourable developments can increase the Noteholder's risk of loss in the following ways:

- the value of the Notes purchased may decline correspondingly in value or
- the amount of the potential redemption amount may decline correspondingly.

Transactions to offset or limit risk

Potential investors should not rely on the ability to conclude transactions during the term of the Notes to offset or limit the relevant risks; this depends on the market situation and, in case of a Note linked to an underlying, the specific underlying conditions. It is possible that such transactions can only be concluded at an unfavourable market price, resulting in a corresponding loss for the Noteholder.

Expansion of the spread between bid and offer prices

In special market situations, where the Issuer is completely unable to conclude hedging transactions, or where such transactions are very difficult to conclude, the spread between the bid and offer prices may be temporarily expanded, in order to limit the economic risks to the Issuer. Thus, Noteholders selling their Notes on an exchange or on the over-the-counter market may be doing so at a price that is substantially lower than the actual value of the Notes at the time of sale.

Effect on the Notes of hedging transactions by the Issuer

The Issuer may use a portion of the total proceeds from the sale of the Notes for transactions to hedge the risks of the Issuer relating to the relevant Tranche of Notes. In such case, the Issuer or a company affiliated with it may conclude transactions that correspond to the obligations of the Issuer under the Notes. As a rule, such transactions are concluded prior to or on the Issue Date, but it is also possible to conclude such transactions after issue of the Notes. On or before a valuation date, if any, the Issuer or a company affiliated with it may take the steps necessary for closing out any hedging transactions. It cannot, however, be ruled out that the price of an underlying, if any, will be influenced by such transactions in individual cases. Entering into or closing out these hedging transactions may influence the probability of occurrence or non-occurrence of determining events in the case of Notes with a value based on the occurrence of a certain event in relation to an underlying.

2. General Risk Factors relating to Changes in Market Conditions

Market Illiquidity

There can be no assurance as to how the Notes will trade in the secondary market or whether such market will be liquid or illiquid or that there will be a market at all. If the Notes are not traded on any securities exchange, pricing information for the Notes may be more difficult to obtain and the liquidity and market prices of the Notes may be adversely affected. The liquidity of the Notes may also be affected by restrictions on offers and sales of the securities in some jurisdictions. The more limited the secondary market is, the more difficult it may be for the Noteholders to realise value for the Notes prior to the exercise, expiration or maturity date.

Market Value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors and the value of the Reference Assets or the Index, including, but not limited to, the volatility of the Reference Assets or the Index, the dividend rate on underlying securities, or the dividend on the securities taken up in the Index, the issuer of the underlying securities financial results and prospects, other relevant underlying(s), including their performance and/or volatility, market interest yield rates, market liquidity and the time remaining to the maturity date.

The value of the Notes, the Reference Assets or the Index depends on a number of interrelated factors, including economic, financial and political events in a global economy or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Reference Assets, the securities taken up in the Index, or the Index, are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the Issue Price or the purchase price paid by such purchaser. The historical market prices of the Reference Assets or the Index should not be taken as an indication of the Reference Assets' or the Index's future performance during the term of any Note.

Market price risk – Historic performance

The historic price of a Note should not be taken as an indicator of future performance of such Note.

It is not foreseeable whether the market price of a Note will rise or fall. If the price risk materialises, the Issuer may be unable to redeem the Notes in whole or in part.

The Issuer gives no guarantee that the spread between purchase and selling prices is within a certain range or remains constant.

3. Risk Factors Relating to specific Product Categories

Fixed Rate Notes and Step-up / Step-down Notes

A holder of a Fixed Rate Note is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. While the nominal interest rate of a Fixed Rate Note is fixed during the life of such Note, the current interest rate on the capital market ("market interest rate") typically changes on a daily basis. As the market interest rate changes, the price of a Fixed Rate Note also changes, but in the opposite direction. If the market interest rate increases, the price of a Fixed Rate Note typically falls, until the yield of such Note is approximately equal to the market interest rate. Such risk of loss may be realised if the Noteholder is required to sell its Notes before maturity of the Note. The same risks apply to Step-up and Step-down Notes if the market interest rates in respect of comparable Notes are higher than the rates applicable to such Notes.

Floating Rate Notes

A holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of Floating Rate Notes in advance.

Floating Rate Notes linked to LIBOR or EURIBOR or other similar benchmarks

LIBOR and EURIBOR and other similar reference rates in respect of which Floating Rate Notes may be linked to ("**Reference Rates**") are deemed to be "benchmarks" and are the subject of ongoing national and international regulatory scrutiny and reforms. Some of these reforms are already effective, while others are still to be formulated or implemented. For example, since April 2013, the U.K. Financial Conduct Authority ("**FCA**") has regulated LIBOR, a "benchmark" that may be specified as the Reference Rate for the purposes of determining the Rate of Interest for Series of Floating Rate Notes, permitting issuers to continue to use LIBOR as a reference rate in securities such as the Notes. Efforts to transition from LIBOR to alternative benchmark rates are under way in several jurisdictions. The FCA announced in July 2017 that it will not continue beyond 2021 to regulate LIBOR or take other

actions to sustain LIBOR as a benchmark, and urged users of LIBOR to plan to transition to alternative reference rates. As a result, there can be no guarantee that LIBOR will be determined after 2021 on the same basis as present, if at all.

In April 2017, the Working Group on Sterling Risk-Free Reference Rates selected the Sterling Overnight Index Average as the recommended British pound risk-free rate. In the US, the Alternative Reference Rates Committee has recommended a broad Treasuries repo financing rate as the new US dollar secured risk-free rate, which is expected to be available in 2018. The Federal Reserve Bank of New York has launched a consultation on the construction of this and two other Treasury repurchase agreement-derived rates. The European Central Bank ("ECB") has also recently announced its decision to develop, before 2020, a euro unsecured overnight interest rate based on transaction data already reported to the ECB by banks. At this time, it is not possible to predict the effect of any such changes, whether any predominant reference rate will be established or the effect of the establishment of any alternative reference rates, or the effect of any other reforms to LIBOR that may be implemented in the United Kingdom or elsewhere.

Pursuant to the General Terms and Conditions, if the Reference Rate for any Floating Rate Note does not appear on the Relevant Screen Page at the Relevant Time on any Interest Determination Date, (i) if the Reference Rate is LIBOR or EURIBOR, Condition 3(8) provides that the Rate of Interest applicable to the related Interest Period will be determined by the Calculation Agent by averaging quotes obtained from reference banks, if available, or, if no such quotes are available, by reference to the Rate of Interest determined as at the last preceding Interest Determination Date, and (ii) in the case of all other Reference Rates, pursuant to the alternative method specified in the applicable Pricing Supplement (both (i) and (ii), the "**Fallback Mechanism**").

Notwithstanding the Fallback Mechanism applicable to any Floating Rate Note, if the Issuer (in consultation with the Calculation Agent) determines that an event as set out in Condition 3(8) has occurred in respect of the applicable Reference Rate (the "**Existing Reference Rate**"), then the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine, in its reasonable discretion, an alternative reference rate that has replaced the Existing Reference Rate in customary market usage or, if it determines that no such rate has replaced the Existing Reference Rate, such other rate that it reasonably determines is most comparable to the Existing Reference Rate in accordance with the terms of Condition 3(8) (the "**Alternative Reference Rate**"). If the Issuer is not able to appoint an Independent Adviser, using reasonable endeavours, then the Issuer (in consultation with the Calculation Agent) may make these determinations itself. Any such determination may also result in changes to, *inter alia*, the definitions of Day Count Fraction, Business Day and/or Interest Determination Date and any method for determining the Rate of Interest if such Alternative Reference Rate is unavailable on the relevant Interest Determination Date, which alternative method must be consistent with any Alternative Reference Rate that has broad market support. If it has been determined that an event as set out in Condition 3(8) has occurred in respect of the Existing Reference Rate, but (i) the Issuer is unable to appoint an Independent Adviser or if the Independent Adviser appointed by the Issuer fails to determine an Alternative Benchmark Rate, and (ii) the Issuer is unable or unwilling to determine the Alternative Reference Rate, the Rate of Interest for the Affected Interest Period will be determined by reference to the Rate of Interest determined as at the last preceding Interest Determination Date.

The use of an Alternative Reference Rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on such Notes if the Existing Reference Rate remained available in its current form. Furthermore, if the Issuer is unable to appoint an Independent Adviser or if the Independent Adviser appointed by the Issuer fails to determine an Alternative Reference Rate, the Issuer may have to exercise its discretion to determine (or to elect not to determine) an Alternative Reference Rate in accordance to condition 3(8) in a situation in which it is presented with a conflict of interest.

Any such consequences could have an adverse effect on the value and marketability of, and return on, such Notes.

More generally, any of the above changes or any other consequential changes to any "benchmark" on which interest payments under any Floating Rate Notes are based as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the value of and return on such Notes.

Reverse Floating Rate Notes

The interest income from Reverse Floating Rate Notes is calculated in reverse proportion to the reference rate: if the reference rate increases, interest income decreases, whereas it increases if the reference rate decreases. Unlike the price of ordinary Floating Rate Notes, the price of Reverse Floating Rate Notes is highly dependent on the yield of Fixed Rate Notes having the same maturity. Price fluctuations of Reverse Floating Rate Notes are parallel but are substantially sharper than those of Fixed Rate Notes having a similar maturity. Noteholders are exposed to the risk that long-term market interest rates will increase even if short-term interest rates decrease. In this case, increasing interest income cannot adequately offset the decrease in the reverse floating note's price because such decrease is disproportionate.

Fixed to Floating Rate Notes

Fixed to Floating Rate Notes bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing interest rates payable on its Notes.

Ratchet Notes

Ratchet Notes are notes which provide neither for a predetermined rate of interest or a predetermined maximum rate of interest nor for a predetermined final redemption amount because the rate of interest or the maximum rate of interest is calculated depending on the rate of interest calculated for a preceding interest period and the final redemption amount may be an amount equal to the par value or equal to an amount which is higher than the par value of the Note. The rate of interest or the maximum rate of interest depends on the performance of a rate of interest calculated for a preceding interest period. Therefore, the Noteholder is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of Ratchet Notes in advance. Since the final redemption amount of Ratchet Notes may be related to the cumulative performance of a number of features, the Noteholder may not rely on compensating any losses from low interest rates by a final redemption amount which is higher than the par value of the Note.

CMS Spread-Linked Notes

The Terms and Conditions of CMS Spread-Linked Notes may provide for a variable interest rate (except for a possible agreed fixed rate payable to the extent provided for in the Terms and Conditions of CMS Spread-Linked Notes) which is dependent on the difference between rates for swaps having necessarily different terms.

Investors purchasing CMS Spread-Linked Notes expect that, during the term of the CMS Spread-Linked Notes, the interest curve will not, or only moderately, flatten out. In the event that the market does not develop as anticipated by the Noteholder and that the difference between rates for swaps having different terms decreases to a greater extent than anticipated, the interest rate payable on the CMS Spread-Linked Notes will be lower than the interest level prevailing as at the date of purchase. In a worst case scenario, no interest will

be payable. In such cases, the price of the CMS Spread-Linked Notes will also decline during the term.

Range Accrual Notes

The Terms and Conditions of Range Accrual Notes may provide for the interest payable (except for a possible agreed fixed rate payable to the extent provided for in the Terms and Conditions of Range Accrual Notes) to be dependent on the number of days during which the reference rate specified in the Terms and Conditions of Range Accrual Notes is within a certain interest range. The interest payable on the Range Accrual Notes decreases depending on the number of determination dates during which the reference rate remains outside the interest range. No interest may be payable in the event that the reference rate increases or decreases significantly and remains outside the interest range throughout an entire interest period.

As the interest payable is calculated by reference to the reference rate, Noteholders are subjected to interest rate fluctuations, and the amount of interest income is uncertain. Owing to the fluctuations in the reference rate, it is impossible to calculate the interest income and the yield for the entire term in advance.

Target Interest Range Accrual Notes

The interest payable on the Target Interest Range Accrual Notes (except for the possible agreed fixed rate payable to the extent provided for in the Terms and Conditions of Target Interest Range Accrual Notes) is dependent on the number of days during which the reference rate specified in the Terms and Conditions of Target Interest Range Accrual Notes remains within a certain interest range. The interest payable on the Target Interest Range Accrual Notes decreases depending on the number of determination dates during which the reference rate remains outside the interest range. No interest may even be payable in the event that the reference rate remains outside the interest range throughout one (or more) entire interest period(s). At the end of the term of the Target Interest Range Accrual Notes, Noteholders may be paid a total interest at the rate of the target interest as provided for in the Terms and Conditions of Target Interest Range Accrual Notes.

Once the total interest paid or payable has equaled or exceeded the target interest during the term of the Target Interest Range Accrual Notes, the Target Interest Range Accrual Notes will be redeemed early at their principal amount. An early redemption of the Target Interest Range Accrual Notes entails the risk that the Noteholder might not be able to invest the redemption amounts on comparable conditions, as a result of which the Noteholder's yield may be lower.

Target Interest Notes/Target Redemption Notes

The automatic redemption feature of Target Interest Notes/Target Redemption Notes may limit their market value. Due to the overall maximum amount of interest paid under Target Interest Notes/Target Redemption Notes, even in a favourable market/interest environment, their market value may not rise substantially above the price at which they can be redeemed. The automatic redemption may take place when the cost of borrowing is generally lower than at the Issue Date of the Notes. 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 target interest Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Zero Coupon Notes

Zero Coupon Notes do not pay current interest but are typically issued at a discount from their nominal value. Instead of periodical interest payments, the difference between the redemption price and the Issue Price constitutes interest income until maturity and reflects the market interest rate. A holder of a Zero Coupon Note is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing Notes with a similar maturity.

General Risks in respect of Structured Notes

In general, an investment in Notes by which payments of interest, if any and/or redemption is determined by reference to the performance of on or more index/indices, equity security/equity securities, bond/bonds, commodity/commodities, currency/currencies, credit events, reference interest rate/rates or other security/securities, may entail significant risks not associated with similar investments in a conventional debt security. Such risks include the risks that the Noteholder may receive no interest at all, or that the resulting interest rate may be less than that payable on a conventional debt security at the same time and/or that the Noteholder could lose all or a substantial portion of the principal of his Notes. In addition, potential investors should be aware that the market price of such Notes may be very volatile (depending on the volatility of the relevant underlying/underlyings).

Neither the current nor the historical value of the relevant underlying/underlyings should be taken as an indication of future performance of such underlying/underlyings during the term of any Note.

Index Linked Notes

Index Linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments but amounts due in respect of principal and/or interest will be dependent upon the performance of the Index, which itself may contain substantial credit, interest rate or other risks. The redemption amount and/or interest, if any, payable by the Issuer might be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment.

Index Linked Notes are not in any way sponsored, endorsed, sold or promoted by the Index Sponsor or the respective licensor of the Index and such Index Sponsor or licensor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the Index and/or the figure at which the Index stands at any particular time. Each Index is determined, composed and calculated by its respective Index Sponsor or licensor, without regard to the Issuer or the Notes. None of the Index Sponsors or licensors is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in determination or calculation of the equation by which the Notes settle into cash.

None of the Index Sponsors or licensors has any obligation or liability in connection with the administration, marketing or trading of the Notes. The Index Sponsor or licensor of the Index has no responsibility for any calculation agency adjustment made for the Index. Hence, potential investors do not have a claim against any Index Sponsor or licensor in case of an error of the calculation of the Index or any adjustment of an index calculation or for any other reason.

Equity Linked Notes

Equity Linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments. Redemption amounts and/or interest payments will depend on the market value of the underlying securities which might be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment. If the underlying securities are to be delivered instead of cash redemption, the value of such securities may also be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder.

Equity Linked Notes are not in any way sponsored, endorsed, sold or promoted by the issuer of the underlying securities and such issuer makes no warranty or representation whatsoever express or implied, as to the future performance of the underlying securities. Furthermore, the issuer of the underlying securities does not assume any obligations to take the interests of the Issuer or those of the Noteholders into consideration for any reason. None of the issuers of the underlying securities will receive any of the proceeds of the offering of the Notes made hereby and is responsible for, and has participated in, the determination of the timing of, prices for or quantities of, the Notes. The investment in the Notes does not result in any right

to receive information from the issuer of the underlying securities, to exercise voting rights or to receive distributions on the Shares. Hence, potential investors do not have a claim against any issuer of the underlying securities for any reason.

Fund Linked Notes

Fund Linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments. Redemption amounts and/or interest payments will depend on the market value of the underlying fund(s) which might be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment.

Fund Linked Notes are not in any way sponsored, endorsed, sold or promoted by the respective fund sponsor or manager or the respective licensor of the fund(s) and such fund sponsor, manager or licensor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the Fund(s) and/or the figure at which the Fund(s) stands at any particular time. Each Fund is determined, composed and calculated by its respective fund sponsor, manager or licensor, without regard to the Issuer or the Notes. None of the fund sponsors, manager or licensors is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in determination or calculation of the equation by which the Notes settle into cash.

None of the fund sponsor, manager or licensors has any obligation or liability in connection with the administration, marketing or trading of the Notes. The fund sponsor, manager or licensor of the Fund(s) has no responsibility for any calculation agency adjustment made for the Fund(s). Hence, potential investors do not have a claim against any fund sponsor, manager or licensor in case of an error of the calculation of the Fund or any adjustment of a fund calculation or for any other reason.

Bond Linked Notes

Bond Linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments. Redemption amounts and/or interest payments will depend on the market value of the underlying securities which might be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment. If the underlying securities are to be delivered instead of cash redemption, the value of such securities may also be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder.

Bond Linked Notes are not in any way sponsored, endorsed, sold or promoted by the issuer of the underlying securities and such issuer makes no warranty or representation whatsoever express or implied, as to the future performance of the underlying securities. Furthermore, the issuer of the underlying securities does not assume any obligations to take the interests of the Issuer or those of the Noteholders into consideration for any reason. None of the issuers of the underlying securities will receive any of the proceeds of the offering of the Notes made hereby and is responsible for, and has participated in, the determination of the timing of, prices for or quantities of, the Notes. Hence, potential investors do not have a claim against any issuer of the underlying securities for any reason.

Commodity Linked Notes

Commodity Linked Notes are debt securities which do not provide for predetermined amounts and/or interest payments. Commodity Linked Notes may relate to one or more Relevant Commodity(ies) and may bear interest at commodity linked interest amounts and/or will be redeemed at a Commodity Linked Redemption Amount, both of which will be calculated by reference to such Relevant Commodity or the Relevant Commodities, as the case may be. Fluctuations in the value of the Relevant Commodity will affect the value of the Commodity Linked Note. The amount of principal and/or interest, if any, payable by the Issuer might be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment. In the case of resources and precious metals as underlyings, Investors should be aware of the fact, that such underlyings may globally nearly be traded non-stop in various

time zones. This may lead to a determination of different values of the relevant underlying in different places. The relevant Terms and Conditions and/or the relevant Final Terms will determine, which exchange or which trading platform and which timing is used to determine the value of the relevant underlying and to determine whether the relevant underlying went below or above certain barriers, if any.

Currency Linked Notes

Currency Linked Notes refer to a specific currency or dual currency and do not provide for a predetermined redemption or interest amount. Such payments depend on the performance of the underlying currency(ies) and may be substantially less than the issue or purchase price.

Future Linked Notes

Future Linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments but amounts due in respect of principal and/or interest will be dependent upon the performance of underlying future(s), which itself/themselves may contain substantial credit, interest rate or other risks. The redemption amount and/or interest, if any, payable by the Issuer might be substantially less than the Issue Price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment.

Future Linked Notes are not in any way sponsored, endorsed, sold or promoted by a sponsor or the respective administrator or promoter of the future(s) and such persons make no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the future(s) and/or the figure at which the future(s) stands at any particular time. None of the sponsors or the respective administrator or promoter is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in determination or calculation of the equation by which the Notes settle into cash.

None of sponsors or the respective administrator or promoter has any obligation or liability in connection with the administration, marketing or trading of the Notes. The sponsors or the respective administrator or promoter of the future(s) have no responsibility for any calculation agency adjustment made for the future(s). Hence, potential investors do not have a claim against any sponsor, respective administrator or promoter for any reason.

Credit Linked Notes

Credit Linked Notes differ from ordinary debt securities in that the amount of principal and/or interest payable is dependent on whether a Credit Event has occurred in respect of one or more reference entities and that payments (whether at maturity or earlier) will be triggered by the absence or occurrence of a Credit Event in respect of one or more reference entities and that this may be less than the full amount of the Noteholders' initial investment and result in Noteholders not receiving repayment of the Issue Price or, as the case may be, the purchase price invested by the Noteholder. If the occurrence of a Credit Event requires the early termination of hedging transactions which were entered into by the Issuer in connection with the Credit Linked Notes, e.g. any currency or interest hedging transactions, the Noteholder may suffer further losses if the applicable Final Terms and/or the Terms and Conditions provide that the costs for unwinding the hedging transactions are to be born by the Noteholder. Accordingly, a Noteholder may even suffer a total loss of his investment. *For the avoidance of doubt*, there is no obligation of the Noteholder to provide additional funds.

The risk of Credit Linked Notes is comparable to the risk associated with a direct investment in the Reference Entity's debt obligations, except that a Noteholder of Credit Linked Notes is also exposed to the Issuer's credit risk. Thus, Noteholders are exposed to the credit risk of the Issuer as well as to the credit risk of one or more reference entities. Credit Linked Notes are neither guaranteed by, nor are Credit Linked Notes secured by any obligations of, the respective reference entity or reference entities. If a Credit Event occurs, Noteholders do not have any right of recourse against the respective Reference Entity. After the occurrence of a Credit Event, Noteholders will not benefit from any positive performances relating to the respective Reference Entity. Especially, any consequences of the occurrence of a Credit Event which are described in the Terms and Conditions and/or the Final Terms may not be

reversed. Therefore, Noteholders do not participate in a restructuring process in case of a restructuring as a Credit Event and Noteholders do not have the right to challenge any elements of a restructuring process. Thus, an investment in connection with Credit Linked Notes may bear higher risks than a direct investment in obligations of the respective Reference Entity or reference entities. If an event occurs which negatively influences the creditworthiness of a Reference Entity but which does not lead to the occurrence of a Credit Event, the price of the Credit Linked Notes may decrease. Therefore, Noteholders who sell their Credit Linked Notes at such point in time may sustain a material loss of their invested capital.

With respect to a Credit Event or a succession event in respect of one or more reference entities, the Final Terms and/or the Terms and Conditions may provide that the Credit Linked Notes are subject to, or that the Calculation Agent may take into account, announcements, determinations and resolutions made by the International Swaps and Derivatives Association, Inc, the leading association of, *inter alios*, banks and dealers active in the swaps and derivatives market, ("**ISDA**") and/or the Credit Derivatives Determination Committees which are published by ISDA on its website. Such announcements, determinations and resolutions could affect the amount and timing of payments of interest and principal on the Credit Linked Notes. However, none of the Issuer, the Calculation Agent or any of their affiliates shall be obliged to inform a Noteholder of any such announcement, determination or resolution, other than as expressly provided for in the Final Terms and/or the Terms and Conditions. Any failure by a Noteholder to be aware of information relating to determinations of a Credit Derivatives Determinations Committee will have no effect under the Credit Linked Notes. In addition, a Noteholder, in its capacity as Noteholder of Credit Linked Notes, will not have the ability, and the Calculation Agent has no duty to the Noteholder, to refer questions to a Credit Derivatives Determinations Committee but a Noteholder will be dependent on other market participants to refer specific questions to the Credit Derivatives Determinations Committees that may be relevant to the Noteholder. Neither the Issuer nor the Calculation Agent will be liable to any person for any determination, redemption, calculation and/or delay or suspension of payments and/or redemption of the Credit Linked Notes resulting from or relating to any announcements, publications, determinations and resolutions made by ISDA and/or any Credit Derivatives Determinations Committee.

Whether a Credit Event has occurred is generally determined by the Credit Derivatives Determinations Committee. Credit Derivatives Determinations Committees (set up according to geographic regions) were established by ISDA pursuant to the 2009 Supplement ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions published by ISDA on 14 July 2009 (the "**July 2009 Supplement**"). ISDA established the Credit Derivatives Determination Committees to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Separate criteria will apply to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees.

The Issuer and/or any member of the UBS Group could be selected to serve as member of any of the Credit Derivatives Determination Committees resulting in potential conflicts of interest between the Issuer and/or any member of the UBS Group serving as member of the Credit Derivatives Determinations Committees and the interest of the Noteholder. The composition of the Credit Derivatives Determinations Committees will change from time to time in accordance with the Credit Derivatives Determinations Committees Rules at Annex A to the July 2009 Supplement (the "**Rules**"). A Noteholder, in its capacity as holder of Credit Linked Notes, will have no role in establishing such criteria or influence the selection of members of the Credit Derivatives Determinations Committee. Institutions serving on the Credit Derivatives Determinations Committees and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or willful misconduct. Furthermore, the member institutions of the Credit Derivatives Determinations Committees from time to time will not owe any duty to a Noteholder, and a Noteholder may not be in a position to bring any legal claims with respect to actions taken by such member institutions under the Rules. A Noteholder should also be aware that member institutions of

the Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committees are not obliged to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

In certain circumstances, if the Credit Derivatives Determinations Committee has been requested to determine whether a Credit Event has occurred or the Calculation Agent has requested 3 or another number of market participants to determine whether a Credit Event has occurred, the Issuer may defer payment of interest until the next Interest Payment Date or another date as determined. Therefore, the Noteholders will receive the interest amount later than originally planned and no interest will be paid in respect of such deferred interest payment.

If the Credit Derivatives Determinations Committee determines that a Credit Event has occurred, generally, the Credit Event takes effect as of the date the request was made to the Credit Derivatives Determinations Committee. This could have the effect that the Issuer has made payments to the Noteholders without taking into account any reductions of interest which were supposed to be made following the occurrence of such Credit Event, i.e. the interest amount paid by the Issuer exceeds the amount which the Issuer was actually obliged to pay. Although the Issuer will be entitled to reduce future payments, if any, to the Noteholders in respect of any interest or principal by an amount equal to such overpayment, the Noteholders will not be obliged to make any compensatory payments to the Issuer.

The Final Terms and/or Terms and Conditions may provide that following one or another number of Credit Event(s), the Credit Linked Notes will be redeemed in whole or in part prior to the Maturity Date.

If Auction Settlement is applicable with respect to Credit Linked Notes and an auction is held by Markit Group Limited and/or Creditex Securities Corp. (or any successor) as determined by the Credit Derivatives Determinations Committee, then the amounts payable under the Credit Linked Notes will be determined on the basis of the final price determined pursuant to the auction held in respect of the relevant Reference Entity. The Noteholders are subject to the risk that where a final price is determined in accordance with an auction, this may result in a lower recovery value than a Reference Entity or the relevant obligation would have had if such final price had been determined pursuant to alternative settlement methods. (i.e. cash settlement or physical settlement). If the final price is zero, no redemption amount will be paid.

If Auction Settlement is applicable with respect to the Credit Linked Notes but the Credit Derivatives Determinations Committee does not decide to hold an auction with respect to obligations of the relevant Reference Entity, the Final Terms and/or the Terms and Conditions may provide that the fallback settlement method (which can be either cash settlement or physical settlement) will apply. In case of cash settlement, the final price will be determined pursuant to the valuation method (i.e. generally a dealer poll). Such final price can be zero, in which case no redemption amount will be paid. In case of physical settlement, the settlement will be effected by delivery of certain obligations relating to the Reference Entity, each as specified in the Final Terms and/or Terms and Conditions, to the Noteholders. The value of such obligations is likely to be significantly lower than before the occurrence of a Credit Event, and the value may not increase any more in the future. The proceeds from such obligations on the market or from an enforcement against the Reference Entity may be substantially below the original investment, or such liquidation or enforcement may not be possible at all. As a consequence, the Noteholders may suffer a substantial or total loss of its original investment, including the transaction costs, as a result of a Credit Event.

In certain circumstances set out in the Final Terms and/or Terms and Conditions, the Calculation Agent and not the Credit Derivatives Determinations Committee determines whether a Credit Event has occurred. The final price will then be determined by the Calculation Agent on the basis of one or more quotes obtained from other banks and/or securities dealers in respect of the relevant Reference Entity. The Noteholders are subject to the risk that where a final price is determined in accordance with the obtained quotes, this may result in a lower recovery value than a Reference Entity or the relevant obligation would

have had if such final price had been determined pursuant to an auction. If the final price is zero, no redemption amount will be paid.

The Final Terms and/or the Terms and Conditions may provide that the Issuer has the right to extend or prolong the maturity of the Credit Linked Notes as specified in the Final Terms and/or Terms and Conditions. In case of such an extension or prolongation, the Noteholders may therefore not receive any amount scheduled to be paid on the Maturity Date and no additional interest for the period following the Maturity Date, if applicable.

TRENDS-Notes ((Interest) Technically Run Enhanced Dynamic Strategy Notes)

TRENDS-Notes may give the Noteholder the right to demand payment of an interest amount from the Issuer, if any, in addition to the redemption of the nominal amount of the Notes on the Maturity Date. Interest may be set with a fixed coupon per annum in the first year of the term of the Note. From the second year of the term of the Notes, the amount of interest payments basically depends on the performance of an underlying index. In the most unfavorable case the interest amount can be zero. Potential investors should consider that the interest rate can be zero for one or more interest periods and that occasionally no interests will be paid for one or all interest periods after the fixed interest amount of the first year of the term of the Note. Furthermore, TRENDS-Notes may not provide for any periodic interest payments. Potential investors should be aware that the relevant underlying is always subject to fluctuations. Furthermore, a historic performance of the relevant underlying does not indicate the future performance of such underlying and the historic price of an underlying does not indicate the future performance of an underlying. Changes in the market price of an underlying influence the trading price of the Notes and it is not predictable, if the market price of an underlying rises or falls. Fluctuations of an underlying can, in particular, result in the fact that, as a consequence of a "stop-loss event", the Noteholder does not receive an annual interest amount from the second year (including) onwards.

FX FAST-Notes

The Noteholder has the right in accordance with the Terms and Conditions of FX FAST Notes and subject to the performance of the Available Currency as underlying to demand for payment of the redemption amount on the Redemption Date and to demand for interest payments on each interest payment date. Thereby, payment of the redemption amount and of any payments of interest are subject to the condition that no Stop-Loss Event occurred. If a Stop-Loss Event occurred, there will be no interest payments and the Noteholder receives instead of the redemption amount on the Redemption Date the Stop-Loss Redemption Amount which is equal to at least the nominal amount per Note. In a worst case scenario, the interest amount may therefore be zero. Potential investors should be aware of the fact that the interest amount may be zero for one or more interest periods and that no interest may be paid for one or all interest periods. Thereby, potential investors should be aware of the fact that the Available Currency as underlying may be subject to fluctuations. Furthermore, historic performances of the underlyings do not indicate any future performances of such underlyings and the historic prices of underlyings do not indicate any future performances of such underlyings. Changes in the market price of the Available Currency influence the trading price of the Notes and it is not predictable, if the market price of the underlyings rises or falls. Fluctuations of an underlying can, in particular, result in the fact that, as a consequence of a Stop-Loss Event, the Noteholder does not receive any interest payments.

II. Risk Factors Relating to the Issuer

The Notes entail risks related to the Issuer, also referred to as "debtor risk" or "credit risk" for prospective investors. Risks related to the Issuer relate to the risk that UBS AG becomes temporarily or permanently unable to meet its obligations under the Notes.

In order to assess the risks related to the Issuer of the Notes, potential investors should consider the risk factors described in the section "Risk Factors" in the Registration Document of UBS AG, as may be supplemented from time to time, and as incorporated by reference into this Information Memorandum.

RESPONSIBILITY STATEMENT

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Information Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Information Memorandum contains all information required by Applicable Law and the JSE Main Board Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Information Memorandum and the annual financial statements and/or any Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of this Information Memorandum and the annual financial statements and/or any Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of this Information Memorandum, the annual financial statements and/or any Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Information Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

IMPORTANT NOTICE

This Information Memorandum is to be read and construed with any amendment or supplement hereto and in conjunction with any other documents which are deemed to be incorporated herein by reference (see the section headed "*Documents Incorporated by Reference*") and, in relation to any Tranche of Notes, should be read and construed together with the Final Terms. This Information Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Information Memorandum.

The Arranger, the Dealers, the Managers and any of their respective subsidiaries or holding companies or a subsidiary of their holding company (their "**Affiliates**"), the Sponsor, other professional advisers and the JSE have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arranger, the Dealer, the Managers or their Affiliates, the Sponsor, other professional advisers or the JSE as to the accuracy or completeness of the information contained in this Information Memorandum or any other information that is provided by the Issuer. The Arranger, the Dealers, the Managers or their Affiliates, the Sponsor, other professional advisers and the JSE do not accept any liability in relation to the information contained in this Information Memorandum and any other information provided by the Issuer in connection with the Programme.

Notwithstanding the above paragraph or anything else in this Information Memorandum, the Issuer will not accept responsibility for the information given in this Information Memorandum or any relevant Final Terms in relation to offers of Notes made by an offeror not authorised by the Issuer to make such offers. Generally, each person named as Dealer or Manager and any party named as a distributor or other placer in the relevant Final Terms will be so authorised, but any other party generally will not. Investors should therefore enquire whether the relevant offeror is so authorised by the Issuer and, if it is not, an investor should be aware that the Issuer will not be responsible for this Information Memorandum or relevant Final Terms for the purposes of the relevant securities laws in the context of the offer of the Notes to the public. Further, whether or not the relevant offeror has been so authorised, no person is authorised to give any information or to make any representation not contained in, or not consistent with, this Information Memorandum and the relevant Final Terms and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. If an investor is in any doubt about whether it can rely on this Information Memorandum and relevant Final Terms and/or who is responsible for the contents thereof it should seek its own legal advice.

Post-issuance Reporting: Except as required by the JSE Main Board Listings Requirements, the Issuer does not intend to provide any post-issuance information and has not authorised the making or provision of any representation or information regarding the Issuer or the Notes other than as contained or incorporated by reference in this Information Memorandum, in any other document prepared in connection with the Programme or any Final Terms or as expressly approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer. Neither the delivery of this Information Memorandum nor the delivery of any Final Terms shall, in any circumstances, create any implication that there has been no adverse change in the financial condition of the Issuer since the date hereof or, as the case may be, the date upon which this Information Memorandum has been most recently supplemented.

Restrictions and distribution and use of this Information Memorandum and Final Terms: The distribution of this Information Memorandum and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum or any Final Terms comes are required by the Issuer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of this Information Memorandum, any Final Terms and other offering material relating to the Notes see the section of this JSE Supplement headed "*Subscription and Sale*".

Neither this Information Memorandum nor any Final Terms may be used for the purpose 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 has been taken or will be taken to permit an offering of the Notes or the distribution of this Information Memorandum in any jurisdiction where any such action is required.

Important U.S. Notice: The Notes have not been and will not be registered under the United States Securities Act, 1933 (as amended) (the "**Securities Act**") or under the securities law of any state or political sub-division of the United States, and trading in the Notes has not been approved by the Commodity Futures Trading Commission (the **CFTC**) under the United States Commodity Exchange Act of 1935, as amended (the **CEA**). No person has registered and no person will register as a "commodity pool operator" of any Issuer under the CEA and the rules thereunder (the **CFTC Rules**) of the CFTC, and no Issuer has been and no Issuer will be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder (the **Investment Company Act**). Notes may not be offered, sold or delivered within the United States or to U.S. persons except in accordance with Regulation S under the Securities Act.

Certain defined terms: In this Information Memorandum, references to "*Rand*", "*ZAR*", "*South African Rand*", "*R*" and "*cent*" are to the currency of the Republic of South Africa.

Stabilisation: Any stabilisation or over-allotment must be conducted in accordance with all applicable laws of South Africa and rules and approved by the JSE. These include the Financial Markets Act and Section 19 of the JSE Main Board Listings Requirements, as amended from time to time.

The distribution of the Information Memorandum, any Final Terms and any offering material relating to the Notes and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Nobody may use this Information Memorandum or any Final Terms for the purpose of an offer or solicitation if in any jurisdiction such use would be unlawful.

In particular, this document may only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply. Additionally, Notes issued under this Programme will not be registered under the United States Securities Act of 1933, as amended, and will include Notes in bearer form that are subject to U.S. tax law requirements. Therefore, subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

For a more detailed description of some restrictions, see "*Subscription and Sale*".

Neither this Information Memorandum nor any Final Terms constitute an offer to purchase any Notes and should not be considered as a recommendation by the Issuer or the Managers that any recipient of this Information Memorandum or any Final Terms or any Simplified Prospectus should purchase any Notes. Each such recipient shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer (see "*Risk Factors*").

DOCUMENTS INCORPORATED BY REFERENCE

1. The documents listed below are deemed to be incorporated into, and to form part of, this Information Memorandum:

- (a) in respect of each Tranche of Notes, the published annual report, including audited financial statements of the Issuer for its 3 (three) financial years ended on the last day of December of each year prior to the issue date of such Tranche of Notes, and, the published annual report for each financial year of the Issuer ended on the last day of December of each year after the date of such Tranche of Notes;
- (b) in respect of each Tranche of Notes, all of the published quarterly reports or reporting materials, including unaudited interim financial results of the Issuer, published by the Issuer after the publication of the most recent annual report prior or after to the issue date of such Tranche of Notes for each financial year of the Issuer;
- (c) all information pertaining to the Issuer which is relevant to the Programme which is electronically disseminated by the Issuer on the JSE stock exchange news service from time to time;

except that any statement contained in this Information Memorandum and any of the documents incorporated by reference into this Information Memorandum shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in a document subsequently incorporated by reference into this Information Memorandum modifies or supersedes that statement.

2. The Issuer and the Transfer Agent will make available for inspection at its Specified Office and provide without charge to any person, upon written request of such person:

- (a) this Information Memorandum and a copy of any or all of the documents referred to above which have been incorporated by reference into this Information Memorandum;
- (b) the constitutional documents of the Issuer, as amended from time to time;
- (c) each supplement to this Information Memorandum circulated by the Issuer from time to time;
- (d) the relevant Final Terms relating to each issue of Notes which is listed on the Main Board of the JSE;
- (e) the Agency Agreement;
- (f) the Quarterly Reports of UBS AG as of 30 April 2019, and 26 July 2019;
- (g) the most recent published Annual Report and interim quarterly reports published thereafter;
- (h) the Registration Document relating to UBS AG dated 27 November 2018 as supplemented and/or replaced from time to time setting out, *inter alia*, (i) the full names of Issuer's directors, (ii) a general description of the Issuer's business, (iii) the full name of the Issuer's company secretary and the address of its offices and of the registered office and (iv) a description of the material risk factors specific to the Issuer, which Registration Document can be found at the following link on the Issuer's website: <https://keyinvest-za.ubs.com/legaldocuments>;
- (i) the most recently obtained monthly beneficial disclosure report made available by the relevant Participants to the Central Securities Depository.

In addition, this Information Memorandum and any supplements thereto and any Final Terms will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>. The Information Memorandum, any supplements thereto, any Final Terms and the Registration Document are available on the Issuer's website: <https://keyinvest-za.ubs.com/legaldocuments>, and the annual and quarterly reporting materials of the Issuer are available on the Issuer's Investor Relations website: <https://www.ubs.com>.

The Issuer will, for so long as the Information Memorandum remains registered with the JSE, publish a new Information Memorandum or a supplement to this Information Memorandum, as the case may be, in accordance with the JSE Main Board Listings Requirements, where any of the information contained in this Information Memorandum (as read with the Information Memorandum) becomes outdated in a material respect; provided that no new Information Memorandum or supplement to this Information Memorandum, as the case may be, is required in respect of the Issuer's annual report, including audited financial statements if such annual financial statements are incorporated by reference into this Information Memorandum and such annual financial statements are submitted to the JSE within four months after the financial year end of the Issuer.

In relation to any Tranche of Notes listed on the Main Board of the JSE, copies of any notices to security holders, including meetings and any amendments to the Conditions or amendments to the rating of a Tranche of Notes and/or to the Information Memorandum, shall be published on SENS. Any modification to the Conditions will require the prior approval of the JSE or such other Financial Exchange.

**TERMS AND CONDITIONS OF THE NOTES/CERTIFICATES/BONDS
AND RELATED INFORMATION**

The information contained in this part "Terms and Conditions of the Notes/Certificates/Bonds and Related Information" includes the following parts relating to the terms and conditions of the Notes/Certificates/Bonds:

- (i) General Information applicable to Notes/Certificates/Bonds;
- (ii) General Terms and Conditions of the Notes/Certificates/Bonds;
- (iii) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Index Linked Notes/Certificates/Bonds;
- (iv) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Equity Linked Notes/Certificates/Bonds;
- (v) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Fund Linked Notes/Certificates/Bonds;
- (vi) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Bond Linked Notes/Certificates/Bonds;
- (vii) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Commodity Linked Notes/Certificates/Bonds;
- (viii) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Currency Linked Notes/Certificates/Bonds;
- (ix) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for Credit Linked Notes/Certificates/Bonds;
- (x) Supplemental Terms and Conditions of the Notes/Bonds for Exchangeable Notes/Bonds;
- (xi) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for (Interest) TRENDS-Notes/Certificates/Bonds;
- (xii) Supplemental Terms and Conditions of the Notes/Certificates/Bonds for FX FAST Notes/Certificates/Bonds;
- (xiii) Form of Final Terms.

GENERAL INFORMATION APPLICABLE TO NOTES/CERTIFICATES/BONDS

General

The Issuer and the relevant Manager(s) will agree on the terms and conditions applicable to each particular Tranche of Notes/Certificates (the "**Conditions**"). The Conditions will be constituted by the terms and conditions of the Notes/Certificates set forth below (the "**Terms and Conditions**") as completed by the provisions of the final terms (the "**Final Terms**").

The Final Terms relating to each Tranche of Notes/Certificates/Bonds will specify whether the Conditions are to be non-consolidated Conditions or consolidated Conditions (each as described below).

As to whether non-consolidated Conditions or consolidated Conditions will apply, the Issuer anticipates that non-consolidated Conditions will generally be used for Notes/Certificates sold to institutional or qualified investors and/or which are not publicly offered and that consolidated Conditions will generally be used for Notes/Certificates sold to or also to private or retail investors and/or which have a specified denomination or par value of Euro 1,000 or less or the equivalent value in another currency and to which no minimum subscription size or transfer size applies.

Non-consolidated Terms and Conditions

If the Final Terms specify that non-consolidated conditions are to apply to the Notes/Certificates/Bonds, the provisions of the applicable Final Terms and the Terms and Conditions, taken together, shall constitute the Conditions. Such Conditions will be constituted as follows:

- (a) the blanks in the provisions of the Terms and Conditions which are applicable to the Notes/Certificates/Bonds will be deemed to be completed by the information contained in the Final Terms as if such information was inserted in the blanks of such provisions;
- (b) the Terms and Conditions will be completed or supplemented by the text of any provisions of the Final Terms completing or supplementing the provisions of the Terms and Conditions;
- (c) alternative or optional provisions of the Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted will be deemed to be deleted from the Terms and Conditions; and
- (d) all instructions and explanatory notes set out in square brackets in the Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

Where non-consolidated Conditions apply, each Global Note/Certificate/Bond representing the Notes/Certificates of the relevant Series will have the Final Terms and the Terms and Conditions attached.

Consolidated Terms and Conditions

If the Final Terms specify that consolidated Terms and Conditions are to apply to the Notes/Certificates, the Terms and Conditions in respect of such Notes/Certificates will be constituted as follows:

- all of the blanks in all applicable provisions of the Terms and Conditions will be completed according to the information contained in the Final Terms and all non-applicable provisions of the Terms and Conditions (including the instructions and explanatory notes set out in square brackets) will be deleted.

Where consolidated Terms and Conditions apply, the consolidated Conditions alone will constitute the Conditions and will be attached to each Global Note/Certificate representing Notes/Certificates.

Supplemental Terms and Conditions for Structured Notes/Bonds

Index Linked Notes/Bonds, Equity Linked Notes/Bonds, Fund Linked Notes/Bonds, Bond-Linked Notes/Bonds, Commodity Linked Notes/Bonds, Currency Linked Notes/Bonds, Credit Linked Notes/Bonds, Exchangeable Notes/Bonds, TRENDS-Notes/Bonds and FX-Fast Notes/Bonds will be governed by the General Terms and Conditions, as supplemented and amended by the Supplemental Terms and Conditions for Index Linked Notes/Bonds, Equity Linked Notes/Bonds, Fund Linked Notes/Bonds, Bond Linked Notes/Bonds, Commodity Linked Notes/Bonds, Currency Linked Notes/Bonds, Credit Linked Notes/Bonds, Exchangeable Notes/Bonds, TRENDS-Notes/Bonds and FX-Fast Notes/Bonds. Index Linked Notes/Bonds, Equity Linked Notes/Bonds, Fund Linked Notes/Bonds, Bond Linked Notes/Bonds, Commodity Linked Notes/Bonds, Currency Linked Notes/Bonds, Credit Linked Notes/Bonds, Exchangeable Notes/Bonds, TRENDS-Notes/Bonds and FX-Fast Notes/Bonds or variations of such type of Notes/Bonds are together referred to as "**Structured Notes**".

Supplemental Terms and Conditions for Certificates

Index Linked Certificates, Equity Linked Certificates, Fund Linked Certificates, Bond Linked Certificates, Commodity Linked Certificates, Currency Linked Certificates, Credit Linked Certificates, Exchangeable Certificates, TRENDS-Certificates and FX-Fast Certificates will be governed by the General Terms and Conditions, as supplemented and amended by the Supplemental Terms and Conditions for Index Linked Certificates, Equity Linked Certificates, Fund Linked Certificates, Bond Linked Certificates, Commodity Linked Certificates, Currency Linked Certificates, Credit Linked Certificates and Exchangeable Certificates, TRENDS-Certificates and FX-Fast Certificates. Index Linked Certificates, Equity Linked Certificates, Fund Linked Certificates, Bond Linked Certificates, Commodity Linked Certificates, Currency Linked Certificates, Credit Linked Certificates, Exchangeable Certificates, TRENDS-Certificates and FX-Fast Certificates or variations of such type of Certificates are together referred to as "**Certificates**".

ISDA Definitions

Structured Notes, Certificates and Bonds will be governed by terms which may be extracted and have substantially the same meaning as set forth in the 2003 ISDA Credit Derivatives Definitions, the 2005 ISDA Commodity Definitions and the 2002 ISDA Equity Derivatives Definitions, both published by the International Swaps and Derivatives Association, Inc. (together, the "**ISDA Definitions**").

GENERAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES] [BONDS]

[This Series of [Notes] [Certificates] [Bonds] is issued under the Structured Note Programme of UBS AG. Copies of an Agency Agreement relating thereto as well as the 2003 ISDA Credit Derivatives Definitions, the 2005 ISDA Commodity Definitions and the 2002 ISDA Equity Derivatives Definitions, if applicable, are available for inspection during normal business hours by the holders of the [Notes] [Certificates] [Bonds] (the ["**Noteholders**" ["**Certificateholders**"] ["**Bondholders**"]) at the specified offices of the Fiscal Agent.]

[This Series of [Notes] [Certificates] [Bonds] is issued pursuant to an Agency Agreement relating to the Structured Note Programme of UBS AG (as amended or supplemented from time to time, the "**Agency Agreement**") between UBS AG (the "**Issuer**"), UBS AG, London Branch (the "**Calculation Agent**"), UBS South Africa (Pty) Ltd (the "**Fiscal Agent**" or "**Transfer Agent**") and FirstRand Bank Limited, acting through its First National Bank division (the "**Paying Agent**"). Copies of the Agency Agreement and the 2003 ISDA Credit Derivatives Definitions, the 2005 ISDA Commodity Definitions and the 2002 ISDA Equity Derivatives Definitions, if applicable, are available for inspection during normal business hours by the holders of the [Notes] [Certificates] [Bonds] [at the specified offices of the Fiscal Agent.]

[[In the case of non-consolidated Terms and Conditions insert:]

The provisions of these Terms and Conditions apply to the [Notes] [Certificates] [Bonds] as completed or supplemented by the terms of the final terms which is attached hereto (the "**Final Terms**"). The blanks in the provisions of these Terms and Conditions which are applicable to the [Notes] [Certificates] [Bonds] shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; any provisions of the Final Terms modifying, supplementing or replacing the provisions of these Terms and Conditions shall be deemed to so modify, supplement or replace the provisions of these Terms and Conditions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the [Notes] [Certificates] [Bonds] (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge by any [Noteholder] [Certificateholder] [Bondholder] at the specified office of the Fiscal Agent and at the specified office of any Paying Agent.]

DEFINITIONS

In this Information Memorandum, unless inconsistent with the context or otherwise separately defined in the Terms and Conditions or the relevant Final Terms, the following expressions shall have the following meanings:

"Applicable Procedures" means the rules and operating procedures for the time being of the CSD, the CSD Participants and the JSE;

"Banks Act" means the Banks Act, 1990 of South Africa;

"Beneficial Interest" means, in relation to a Series of Notes held in the CSD, the beneficial interest as co-owner of an undivided share in all of the Notes in that Series, as contemplated in section 37(1) of the Financial Markets Act, the principal amount of which beneficial interest, in relation to any number of Notes in that Series, is determined by reference to the proportion that the principal amount of such number of Notes bears to the principal amount of all of the Notes in that Series, as contemplated in section 37(3) of the Financial Markets Act;

"Business Day" means a day (i) (other than a Saturday, Sunday or statutory public

holiday in South Africa) on which commercial banks settle payments in Rand in Johannesburg; and (ii) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Relevant Financial Centres specified in the Final Terms;

"Calculation Agent" means UBS AG, London Branch, unless the Issuer elects to appoint another entity as Calculation Agent in relation to one or more Tranches of Notes, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

"Companies Act" means the Companies Act, 2008 of South Africa;

"CSD" means Strate Proprietary Limited (registration number 1998/022242/07), licensed as a central securities depository in terms of section 29 of the Financial Markets Act, or its nominee, and any reference to "CSD" shall, whenever the context permits, be deemed to include any successor depository operating in terms of the Financial Markets Act, and any additional or alternate depository approved by the Issuer;

"CSD Participant" means a person accepted by the CSD as a participant, as contemplated in section 31 of the Financial Markets Act, and who is approved by the CSD, in terms of the rules of CSD;

"Extraordinary Resolution" has the meaning given to it in Condition 15(t);

"Financial Markets Act" means the Financial Markets Act, 2012 of South Africa;

"Individual Certificate" means (i) a single certificate in definitive registered form without interest coupons representing those Notes for which a Beneficial Interest has been exchanged in accordance with Condition 1.2 (*Exchange of Beneficial Interests for an Individual Certificate*) of the Information Memorandum or (ii) the single certificate in definitive registered form without interest coupons representing any other Notes, as the context requires;

"Issue Date" means, in relation to a Tranche of Notes, the date specified as such in the relevant Final Terms;

"Issuer" means UBS AG, a company with limited liability established under the laws of Switzerland with registration number: CH-270.3.004.646-4;

"JSE" means the JSE Limited (registration number 2005/022939/06) incorporated with limited liability under and licensed as an exchange under the terms of the Financial Markets Act, and any reference to "JSE" shall, whenever the context permits, be deemed to include any successor exchange operating under the terms of the Financial Markets Act;

"JSE Main Board Listings Requirements" means all listings requirements promulgated by the JSE from time to time for the Main Board of the JSE;

"JSE Scheduled Trading Day" means any day on which the JSE is scheduled to be open for trading for its regular trading session;

"Last Day to Trade" means, in relation to a Series of Notes, 17h00 Johannesburg time on the day that is 3 JSE Scheduled Trading Days before the Record Date;

"Noteholders" or "Holders" means the holders of Notes recorded as such in the Register;

"Paying Agent" means FirstRand Bank Limited, acting through its division, First National Bank, unless the Issuer elects to appoint another entity as Transfer Agent in relation to one or more Tranches of Notes, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

"R" or **"Rand"** or **"ZAR"** or **"South African Rand"** or **"cent"** means the lawful currency of South Africa;

"Record Date" means the date on which the Register must be in final form, being the Friday immediately prior to each Interest Payment Date or Redemption Date, as the case may be, or if such Friday is not a Business Day, the last Business Day of the week preceding the Interest Payment Date or Redemption Date, as the case may be;

"Redemption Date" means each date on which any Notes are to be redeemed, partially or totally, as the case may be, in terms of the Conditions;

"Register" means the register of Notes maintained by the Transfer Agent under the terms of Condition 1.3 (*Register*) of this Information Memorandum, including the Issuer's uncertificated securities register administered and maintained by a participant or central securities depository, in accordance with the Companies Act, the Financial Markets Act and the rules of the central securities depository;

"South Africa" means the Republic of South Africa;

"Specified Office" means, in relation to each of the Issuer, the Calculation Agent, the Paying Agent and the Transfer Agent, the address of the office specified in respect of such entity at the end of the JSE Placement Document, or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Noteholders (in the manner set out in Condition 12 (*Notices*)), as the case may be.

"Transfer Agent" means UBS South Africa (Pty) Ltd unless the Issuer elects to appoint another entity as Transfer Agent in relation to one or more Tranches of Notes, in which event such entity (and a description of the arrangements pursuant to which such entity has been so appointed by the Issuer) will be specified in the relevant Final Terms;

1. (Form, Denomination, Redenomination, Transfer and Title)

1.1 Form

- (a) *Registered Notes*: Each Tranche of Notes will be issued in registered form denominated in South African Rand.
- (b) *Uncertificated Notes*: Each Tranche of Notes which is listed on the Main Board of the JSE will, subject to applicable laws and Applicable Procedures, be issued in uncertificated form under the terms of section 33 of the Financial Markets Act.

Uncertificated Notes will not be represented by any certificate or written instrument. A Tranche of Notes issued in uncertificated form will be held by the CSD (see sub-paragraph (d) below headed "Notes held in the CSD").

- (c) *Certificated Notes*: Notes issued in certificated form will be represented by an Individual Certificate in definitive registered form. Each Individual Note Certificate will be registered in the Register in the name of the

individual Holder(s) of the Notes represented by that Individual Certificate.

- (d) Notes held in the CSD: In terms of section 50 of the Companies Act, read with the Financial Markets Act and the rules of the CSD, the Issuer will (i) record in the Register, the total number, and where applicable, the nominal value of the Notes issued by it in uncertificated form, and (ii) the CSD and CSD Participants will administer and maintain the company's uncertificated securities register, which will form part of the Register. While a Tranche of Notes is held in the CSD, all amounts to be paid and all rights to be exercised in respect of the Notes in that Tranche held in uncertificated form will be paid to and may be exercised only by the CSD for the Holders of Beneficial Interests in that Tranche of Notes, in accordance with the Applicable Procedures.

While any Notes in a Tranche are held in the CSD, any certificate or other document issued by the CSD or the relevant CSD Participant, as the case may be, as to the principal amount of such Notes standing to the account of such person shall be prima facie proof of such Beneficial Interest.

- (e) *Title to certificated Notes*: Title to Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with sub paragraph (i) (Transfer of Notes represented by Individual Certificates).

The Issuer, the Paying Agent and the Transfer Agent shall (except as otherwise required by law) recognise the Holder of any Note, as the absolute owner of the Notes registered in that Holder's name for all purposes (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof).

- (f) *Title to Beneficial Interests in uncertificated Notes*: Title to Beneficial Interests held by CSD Participants directly through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD for such CSD Participants, in accordance with the Applicable Procedures (as contemplated in sub-paragraph (h) (Transfer of Beneficial Interests) below). Title to Beneficial Interests held by clients of CSD Participants indirectly through such CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts maintained by such CSD Participants for such clients, in accordance with the Applicable Procedures (as contemplated in sub-paragraph (h) (Transfer of Beneficial Interests)) below).

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 1.2 (Exchange of Beneficial Interests for an Individual Certificate) of the below.

Each Tranche of Notes held by the CSD will be held subject to the Financial Markets Act and the Applicable Procedures.

- (g) *Redenomination*: Redenomination may not be specified in the Final Terms in respect of Notes.
- (h) *Transfer of Beneficial Interests*: Transfers of Beneficial Interests to and from clients of CSD Participants occur by way of electronic book entry in the securities accounts maintained by the CSD Participants for their clients, in accordance with the Applicable Procedures. Transfers of Beneficial Interests among CSD Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the CSD Participants, in accordance with the Applicable Procedures.

- (i) *Transfer of Notes represented by Individual Certificates:* Notes represented by an Individual Certificate will be transferred upon registration of transfer in the Register.

In order for any transfer of Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer (i) the transfer of such Notes must be embodied in a valid form of transfer in the usual form or in such other form approved by the Transfer Agent ("**Transfer Form**"), (ii) the Transfer Form must be signed by the registered Noteholder and the transferee, or any authorised representative of that registered Noteholder and/or transferee, and (iii) the Transfer Form must be delivered to the Transfer Agent at its Specified Office together with the relevant Individual Certificate for cancellation.

The transfer of Notes represented by an Individual Certificate recorded in the Register may be transferred in whole or in part (in amounts of not less than ZAR1 000 000).

Subject to the preceding provisions of this Condition 1.1, the Transfer Agent will, within 3 Business Days of receipt by it of the Transfer Form (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), record the transfer of Notes represented by an Individual Certificate in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Office or, at the risk of the transferee, send by registered mail to such address as the transferee may request, a new Individual Certificate, if applicable, in respect of such Notes reflecting the same outstanding nominal amount as the Notes transferred. Where a Noteholder has transferred part only of his holding of Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by registered mail to such address as such Noteholder may request, a new Individual Certificate in respect of the balance of the Notes held by such Noteholder.

The transferor of any Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.

Before any transfer of any Notes is registered, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Transfer Agent reasonably requires as to the identity and title of the transferor and the transferee.

No transfer of any Notes will be registered while the Register is closed as contemplated in Condition 1.3 (Register).

If a transfer of any Notes represented by an Individual Certificate is registered, the Transfer Form and cancelled Individual Certificate, if any, will be retained by the Transfer Agent.

1.2 **Exchange of Beneficial Interests for an Individual Certificate**

The holder of a Beneficial Interest in a Note may, subject to section 44 of the Financial Markets Act, by written notice to the CSD Participant (or, if such holder is a CSD Participant, the CSD), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the "**Exchange Notice**"). The Exchange Notice shall specify the name, address and bank account details of the holder of the Beneficial Interest.

The CSD Participant shall, within 7 (seven) Business Days of receipt of the Exchange Notice, through the CSD, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) Business Days of receipt of such notice from the CSD, procure that an Individual Certificate is prepared, authenticated and made available for collection, on a Business Day falling within the aforementioned 14 (fourteen) Business Day period, by the CSD Participant at the Specified Office of the Transfer Agent.

If the CSD ceases to operate, the holder of a Beneficial Interest in a Note will be deemed to have delivered an Exchange Notice directly to the Transfer Agent on the date that the CSD ceases to so operate.

The Transfer Agent will, subject to this Condition 1.2, prepare and authenticate the Individual Certificate, and make the Individual Certificate available for collection by the CSD Participant at the Transfer Agent's Specified Office.

An Individual Certificate issued pursuant to this Condition 1.2 shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular principal amount standing to the account of the holder thereof, represent that number of Notes of that principal amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent.

1.3 **Register**

The Register will be kept at the Specified Office of the Transfer Agent. The Register will, in relation to a Tranche of Notes, contain the name, address and bank account details of each Noteholder in that Tranche. The Register will set out the principal amount of the Notes in that Tranche issued to the Noteholder or the principal amount of the Notes in that Tranche transferred to the Noteholder, as the case may be, the Issue Date, the date of transfer of such Notes (if applicable) and the date upon which the Noteholder became registered as such. The Register will show the serial numbers of the Individual Certificates issued and the reference numbers of Notes issued in uncertificated form. The Register will be open for inspection during the normal business hours of the Transfer Agent to the Issuer (or any person authorised by the Issuer) and any Noteholder (or any person of proven identity authorised in writing by any Noteholder).

None of the Issuer, the Paying Agent and the Transfer Agent will be bound to enter any trust into the Register or to take any notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject.

In respect of a Tranche of Notes listed on the Main Board of the JSE, to be recorded in the Register on the Record Date, the trade must take place by 17h00 (Johannesburg time) on the Last Day to Trade. The Notes will trade "ex-entitlement" on the first Business Day after the Last Day to Trade.

The Transfer Agent will amend the certificated securities register of the Register and the CSD or Participants will amend the uncertificated securities register of the Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified; provided that the Register will only be amended to reflect a transfer of Notes if such transfer is carried out in accordance with Condition 1.1(i) (*Transfer of Notes*) above.

The costs and expenses of the printing, issue and delivery of each Individual Certificate pursuant to Condition 1.2 (Exchange of Beneficial Interest for an Individual Certificate) above and all taxes or governmental charges that may be

imposed in relation to such Individual Certificate shall be borne by the Holder of the Note represented by that Individual Certificate.

Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes represented by Individual Certificates may be levied by other persons, such as CSD Participants, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer.

2. **(Status)**

The obligations under the [Notes] [Certificates] [Bonds] constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

3. **(Interest)**

[[In the case of Fixed Rate [Notes] [Certificates] [Bonds] insert:]

- (1) **Rate of Interest and Interest Payment Dates.** The [Notes] [Certificates] [Bonds] shall bear interest on their [principal amount] [par value] at the rate of **[insert Rate of Interest]** per cent. per annum from and including **[insert interest commencement date]** (the "**Interest Commencement Date**") to but excluding the [Maturity Date (as defined in Condition 4(1))][**insert other relevant date(s) in case of [Notes] [Certificates] [Bonds] without fixed maturity date**]. Interest shall be payable [in arrear] on **[insert fixed interest date(s)]** in each year (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on **[insert First Interest Payment Date]** (the "**First Interest Payment Date**") [.] **[[in case of a short/long first coupon insert:]** and will amount to **[insert broken amount]** per Specified Denomination]. **[[in case of a short/long last coupon insert:]** Interest in respect of the period from and including **[insert fixed interest date preceding the [Maturity Date] [other date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]]** to but excluding the [Maturity Date] **[insert other relevant date(s) in case of [Notes] [Certificates] [Bonds] without fixed maturity date]** will amount to **[insert broken amount]** per Specified Denomination].
- (2) "**Interest Period**" means the period from and including the Interest Commencement Date to but excluding the First Interest Payment Date and any subsequent period from and including an Interest Payment Date to and excluding the next Interest Payment Date.]

[Insert provisions relating to Step-up / Step-down [Notes] [Certificates] [Bonds]]

[[In the case of Floating Rate [Notes] [Certificates] [Bonds] and Index, Equity, Bond, Commodity, Currency, Future Linked or other linked interest [Notes] [Certificates] [Bonds] or Dual Currency [Notes] [Certificates] [Bonds] insert:]

- (1) **Interest Payment Dates.**
 - (a) The [Notes] [Certificates] [Bonds] bear interest on their [Specified Denomination] [par value] from and including **[insert interest commencement date]** (the "**Interest Commencement Date**") to but excluding the first Interest Payment Date and thereafter from and including each Interest Payment Date to but excluding the next following Interest Payment Date. Interest on the [Notes] [Certificates] [Bonds] shall be payable [in arrear] on each Interest Payment Date.

- (b) **"Interest Payment Date"** means *[in the case of specified interest payment dates insert: each [insert specified interest payment dates].] [in the case of specified interest periods insert: each date which (except as otherwise provided in these Terms and Conditions) falls [insert number] [weeks] [months] [insert other specified periods] after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.]* If any Interest Payment Date would fall on a day which is not a Business Day, the payment date shall be:

[if Modified Following Business Day Convention insert: postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day.]

[if Floating Rate [Notes] [Certificates] [Bonds] Convention ("FRN Convention") insert: postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls [[insert number] months] [insert other specified periods] after the preceding applicable Interest Payment Date.]

[if Following Business Day Convention insert: postponed to the next day which is a Business Day.]

[if Preceding Business Day Convention insert: the immediately preceding Business Day.]

- (2) **Rate of Interest.** Subject to Condition 3(8) below, the rate of interest ("**Rate of Interest**") for each Interest Period (as defined below) will be

[In case of Floating Rate [Notes] [Certificates] [Bonds] other than Constant Maturity Swap ("CMS") floating rate [Notes] [Certificates] [Bonds] insert]

[[Where ISDA Determination is specified insert:]

the relevant ISDA Rate (as defined below) *[if a Margin applies insert: [plus] [minus] a Margin of [specify margin] per cent. per annum (the "Margin").]*

"ISDA Rate" means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions and the 1998 ISDA Euro Definitions, each as amended and updated as at the Issue Date of the first Tranche of the [Notes] [Certificates] [Bonds], published by the International Swaps and Derivatives Association, Inc. (the "**ISDA Definitions**").

Where:

- (i) the Floating Rate Option is **[specify details]**;
- (ii) the Designated Maturity is **[specify details]**; and
- (iii) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on EURIBOR or LIBOR for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the relevant Final Terms.

For the purposes of this subparagraph, "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in

the ISDA Definitions. "**Calculation Agent**" means the "*Calculation Agent*", as defined in the ISDA Definitions.]

[[Where Screen Rate Determination is specified insert:]

The offered quotation (expressed as a percentage rate per annum) for deposits for the relevant Interest Period in [the Currency] **[insert other currency]** which appears on the Screen Page (as defined below) as at 11.00 a.m. ([London] [Brussels] **[other financial centre]** time) (the "**Specified Time**") on the [first day] **[[second] [other number of days]** Business Day] [prior to the commencement] of the relevant Interest Period (as defined below) (the "**Interest Determination Date**") **[if a Margin applies insert: [plus] [minus] a Margin of [specify margin] per cent. per annum (the "Margin"),]** all as determined by the Calculation Agent.

"**Screen Page**" means **[insert relevant Screen Page]**. If no such offered quotation appears on the Screen Page as at the Specified Time, the Calculation Agent shall request offices of four [banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page] **[specify other reference banks]** (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Currency for the relevant Interest Period (as defined below) to leading banks [in the [London] interbank market] [in the euro-zone] (the "**Relevant Market**") at approximately the Specified Time) on the Interest Determination Date.

If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (in case the Reference Rate is EURIBOR, rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards and otherwise hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations **[if a Margin applies insert: [plus][minus] the Margin]**, as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary as specified above) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at the Specified Time on the relevant Interest Determination Date, deposits in the Currency for the relevant Interest Period by leading banks in the Relevant Market **[if a Margin applies insert: [plus][minus] the Margin]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the Relevant Market (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if a Margin applies insert: [plus][minus] the Margin]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if a Margin applies insert: [plus][minus] the Margin]** (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)].]

[[In case of CMS floating rate [Notes] [Certificates] [Bonds]] except as provided below, the **[include relevant number of years]** year swap rate (the middle swap rate against the [] months EURIBOR, expressed as a percentage rate per annum) (the "**[include relevant number of years] Year Swap Rate**") which appears on the Screen Page as of 11:00 a.m. ([Frankfurt] **[insert other relevant location]** time) on the Interest Determination Date (as defined below) **[in the case of Factor insert: multiplied by [insert factor]]**, **[in the case of Margin insert: [plus] [minus] the Margin (as defined below)]** all as determined by the Calculation Agent."

"**Interest Determination Date**" means the [second] **[other number of days]** Business Day [prior to the commencement] of the relevant Interest Period.

[In the case of Margin insert: "Margin" means **[insert]** per cent. per annum.]

"**Screen Page**" means **[insert relevant Screen Page]**. If no such offered quotation appears on the Screen Page as at the Specified Time, the Calculation Agent shall request offices of four [banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page] **[specify other reference banks]** (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Currency for the relevant Interest Period (as defined below) to leading banks [in the [London] interbank market] [in the euro-zone] (the "**Relevant Market**") at approximately the Specified Time) on the Interest Determination Date.

If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (in case the Reference Rate is EURIBOR, rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards and otherwise hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations **[if a Margin applies insert: [plus] [minus] the Margin]**, as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary as specified above) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at the Specified Time on the relevant Interest Determination Date, deposits in the Currency for the relevant Interest Period by leading banks in the Relevant Market **[if a Margin applies insert: [plus][minus] the Margin]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the Relevant Market (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if a Margin applies insert: [plus][minus] the Margin]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if a Margin applies insert: [plus][minus] the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)].**

[insert further provisions relating to CMS floating rate [Notes] [Certificates] [Bonds]]
[insert further provisions relating to CMS Spread-Linked [Notes] [Certificates] [Bonds]]

[insert further provisions relating to Reverse Floating Rate [Notes] [Certificates] [Bonds]]

[In case of Index, Equity, Bond, Commodity, Currency, Future Linked or other linked interest or Dual Currency [Notes] [Certificates] [Bonds] insert further provisions relating to the Interest Rate]

[In case of Interest Technically Run Enhanced Dynamic Strategy (TRENDS) [Notes] [Certificates] [Bonds] insert]

(1) **Interest Amount and Interest Payment Dates.** The [Notes] [Certificates] [Bonds] will, subject to the occurrence of a Stop-Loss Event (Condition 4d), during the term of the [Notes] [Certificates] [Bonds] bear interest, which will be calculated each Interest Period (Condition 3(5)), and be paid on each relevant Interest Payment Date (the "Interest Amount"):

(i) [In respect of the [initial] **[insert other provisions]** Interest Payment Date the Interest Amount will be determined by multiplying the interest rate of **[insert interest rate]** per cent. per year, subject to the Day Count Fraction (Condition 3(6)), by the [Specified Denomination] [par value] of the [Notes] [Certificates] [Bonds].]

[insert other or further provisions]

(ii) [In respect of any [subsequent] **[insert other provisions]** Interest Payment Date, the Interest Amount will be determined on each Interest Determination Date and will be equal to the sum of the Synthetic Strategy Credits (Condition 3(2)(a)) in relation to the preceding [four] **[insert number]** Roll Periods.]

[insert other or further provisions]

There will be no accrued interest payments.

"Interest Determination Date" means the last Business Day (Condition 5(2)) of each Roll Period, which ends immediately prior to the Interest Payment Date.

"Interest Payment Date" means, commencing on **[insert date]** being the first Interest Payment Date, the fifth Business Day after each Roll Date falling in **[insert month]** of each calendar year.

"Roll Period" means the period from a Roll Date at Valuation Time to the immediately following Roll Date at Valuation Time (Condition 4(a)). Each Roll Period will correspond to the Interest Period that ends immediately after the end of such Roll Period. The initial Roll Period will be the period from **[insert date]** at Valuation Time to the first Roll Date at Valuation Time.

"Roll Date" means each first Business Day of each **[insert months]** of each calendar year, commencing in **[insert month and year]**.

[insert other or further definitions]

(2) **Synthetic Strategy Credit; Strategy Amount; Interim Strategy Amount; Strategy Fee; Strategy Performance Fee.**

(a) In respect of any Interest Payment Date, following the [initial] **[insert other provisions]** Interest Payment Date and relating to the corresponding Roll Period, the "Synthetic Strategy Credit" is determined as follows:

(i) In respect of the first [five] **[insert number]** Roll Periods, the Synthetic Strategy Credit will be equal to [zero] **[insert other provisions]**.

- (ii) Provided (i) that a Stop-Loss Event has not occurred nor will not occur following the payment of the Interest Amount incorporating such Synthetic Strategy Credit and (ii) that the Calculation Agent determines at the end of a Roll Period that both:

$[SA_{(End)} > SA_{(Start)} \text{ and } SA_{(End)} > SA_{(0)}]$

[insert other provisions]

the Synthetic Strategy Credit is calculated in accordance with the following formula:

$[50 \% \times (SA_{(End)} - \text{MAX}[SA_{(Start)}, SA_{(0)}])]$

[insert other formula]

otherwise the Synthetic Strategy Credit is equal to [zero] **[insert other provisions]**.

- (iii) In case a Stop-Loss Event has occurred during any Roll Period, the Synthetic Strategy Credit in respect of such Roll Period and all following Roll Periods will be [zero] **[insert other provisions]**.

[insert other or further provisions]

- (b) [For the purpose of determining the Synthetic Strategy Credit, the "**Strategy Amount**" (or "**SA**") at the start of each Roll Period ("**SA_(Start)**") is determined as follows:

- (i) $SA_{(Start)}$ in relation to the initial Roll Period equals a percentage of the [Specified Denomination] [par value] of the [Notes] [Certificates] [Bonds] as determined by the Calculation Agent on the Fixing Date and published by the Issuer without undue delay in accordance with Condition 12 ("**Initial Strategy Amount**" or "**SA₍₀₎**").
- (ii) In respect of any subsequent Roll Period, $SA_{(Start)}$ is equal to $SA_{(End)}$ (Condition 3(2)(c)) as of the immediately prior Roll Period minus an amount equal to the sum of i) the Synthetic Strategy Credit, ii) the Strategy Fee and iii) the Strategy Performance Fee, all in respect of the immediately prior Roll Period.]

[insert other or further provisions]

[The "**Strategy Fee**" follows:

- (i) Provided that a Stop-Loss Event has not occurred nor will occur following the payment of such Strategy Fee, the Strategy Fee in respect of each Interest Period immediately prior to such Interest Payment Date will be determined, by multiplying the interest rate of **[insert interest rate]** per cent. per year, subject to the Day Count Fraction (Condition 3(6)), by the [Specified Denomination] [par value] of the [Notes] [Certificates] [Bonds].
- (ii) If a Stop-Loss Event has occurred during any Roll Period the Strategy Fee for such Roll Period and all following Roll Periods will be [zero] **[insert other provisions]**.

[insert other or further provisions]

[The "**Strategy Performance Fee**" is determined as follows:

- (i) Provided (a) that a Stop-Loss Event has not occurred nor will occur following the payment of the Interest Amount incorporating such Strategy

Performance Fee and (β) that the Calculation Agent determines at the end of a Roll Period that both

$$[SA_{(End)} > SA_{(Start)} \text{ and } SA_{(End)} > SA_{(0)}]$$

[insert other provisions]

the Strategy Performance Fee is calculated in accordance with the following formula:

$$[10\% \times (SA_{(End)} - \text{Max}[SA_{(Start)}, SA_{(0)}])]$$

[insert other formula]

otherwise the Strategy Performance Fee is equal to [zero] **[insert other provisions]**.

- (ii) If a Stop-Loss Event has occurred during any Roll Period the Strategy Performance Fee in respect of such Roll Period and all following Roll Periods will be [zero] **[insert other provisions]**.

[insert other or further provisions]

- (c) [For the purpose of determining the Synthetic Strategy Credit, the Strategy Amount at the end of each Roll Period (" $SA_{(End)}$ ") equals the Interim Strategy Amount (as defined below) at Valuation Time on the Interest Determination Date.]

[insert other or further provisions]

- (d) [The "Interim Strategy Amount" is determined by the Calculation Agent at the Valuation Time in relation to each Business Day in accordance with the following formula, subject to a minimum amount of [zero] **[insert other provisions]**:

$$[SA_{(Start)} + (\text{IndexPerformance}) \times (\text{Position Size}) \times \frac{\text{Tick Value}}{\text{Tick Size}}]$$

[insert other formula]

[insert other or further provisions]

[In case of FX FAST [Notes] [Certificates] [Bonds] insert]

- (1) *Interest Amount.* [The [Notes] [Certificates] [Bonds] will, subject to the occurrence of a Stop-Loss Event (Condition 4d), during the term of the [Notes] [Certificates] [Bonds] bear interest, which will be calculated each Interest Period (Condition 3(5)), and be paid on each relevant Interest Payment Date (the "Interest Amount"):

The "Interest Amount" is determined as follows:

- (a) The Interest Amount in respect to each Roll Date, which is not also an Interest Payment Date equals [zero] **[insert other amount]**.
- (b) The Interest Amount in respect to each Roll Date, which also is an Interest Payment Date,
- (i) and in respect to the [twelfth] **[insert other amount]** Roll Date, i.e. to the first Interest Payment Date is calculated by applying the interest rate of **[insert amount]** per cent. and the Day Count Fraction (as defined below) to the [Specified Denomination] [par value] of the [Notes] [Certificates]

[Bonds] per [Note] [Certificate] [Bond], if applicable, commercially rounded to two decimal places, and

- (ii) equals in respect to each subsequent Roll Date, which also is an Interest Payment Date, the Strategy Payout (Condition 4b(4)).]

[insert other or further provisions]

- (2) *Interest Payment Dates and Roll Dates.* **["Interest Payment Date"** means, commencing on **[insert date]** being the first Interest Payment Date, the fifth Business Day after each Roll Date falling in **[insert month]** of each calendar year.] **[insert other or further definitions]**

["Roll Date" means each first Business Day of each **[insert months]** of each calendar year, commencing in **[insert month and year].]** **[insert other or further definitions]**

[insert other or further provisions]

[If Minimum Rate of Interest applies insert: If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[insert Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[insert Minimum Rate of Interest].]**

[If Maximum Rate of Interest applies insert: If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than **[insert Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[insert Maximum Rate of Interest].]**

- (3) *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, calculate the amount of interest **[[in case of all interest bearing [Notes] [Certificates] [Bonds] which are not TRENDS-[Notes] [Certificates] [Bonds] or FX FAST [Notes] [Certificates] [Bonds] insert]** (the "Interest Amount") payable on the [Notes] [Certificates] [Bonds] in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to each [Specified Denomination] [par value] and rounding the resultant figure to the nearest unit of the Currency, with 0.5 of such unit being rounded upwards.

(4) *Notification of Rate of Interest and Interest Amount.*

- (a) The Calculation Agent will cause the Rate of Interest for each Interest Period and the relevant Interest Payment Date to be notified to the Noteholders (in the manner set out in Condition 9), the Issuer and the CSD and to the JSE, as soon as possible after the calculation or determination thereof but in any event no later than the first day of the relevant Interest Period. The Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to Issuer, the CSD and to the JSE and to the Noteholders in accordance with Condition 12.
- (b) The Calculation Agent will, in relation to each Tranche of Notes, at least 3 (three) Business Days before each Interest Payment Date, cause the aggregate Interest Amount payable for the relevant Interest Period in respect of such Tranche of Notes to be notified through SENS to the Noteholders, the Issuer and the CSD and to the JSE.
- (5) **["Interest Period"** means the period from and including the Interest Commencement Date to but excluding the First Interest Payment Date and any subsequent period from

and including an Interest Payment Date to but excluding the next Interest Payment Date.]

["Interest Period" means the period from (including) one Interest Payment Date to (excluding) the next succeeding Interest Payment Date. The initial Interest Period will be the period from the Issue Date (including) to the first Interest Payment Date (excluding).]]

- (6) **"Day Count Fraction"**, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**) means:

[[in the case of "Actual/Actual (ICMA)":]

- (a) where the Calculation Period is equal to or shorter than the Interest Period during which it falls, the actual number of days in the Calculation Period divided by the product of (i) the actual number of days in such Interest Period and (ii) the number of Interest Periods in any calendar year; and
- (b) where the Calculation Period is longer than one Interest Period, the sum of: (i) the actual number of days in such Calculation Period falling in the Interest Period in which it begins divided by the product of (x) the actual number of days in such Interest Period and (y) the number of Interest Periods in any year; and (ii) the actual number of days in such Calculation Period falling in the next Interest Period divided by the product of (x) the actual number of days in such Interest Period and (y) the number of Interest Periods in any year.]

[[in the case of "30/360":]

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).]

[[in the case of "30E/360" or "Eurobond Basis":]

the number of days in the Calculation Period divided by 360 (unless, in the case of the final Calculation Period, the [Maturity Date] is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).]

[[in the case of "Actual/365" or "Actual/Actual (ISDA)":]

the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).]

[[in the case of "Actual/365 (Fixed)":]

the actual number of days in the Calculation Period divided by 365.]

[[in the case of "Actual/360":]

the actual number of days in the Calculation Period divided by 360.]

(7) If the Issuer for any reason fails to render any payment in respect of the [Notes] [Certificates] [Bonds] when due, interest shall continue to accrue at the default rate established by statutory law on the outstanding amount from and including the due date to but excluding the day on which such payment is received by or on behalf of the [Noteholders] [Certificateholders] [Bondholders].

[[In the case of [Notes] [Certificates] [Bonds] without periodic interest payments insert:] There will not be any periodic payments of interest on the [Notes] [Certificates] [Bonds].]

(8) *Benchmark replacement*

Unless the relevant Final Terms specifies this Condition 3(8) to be "Not Applicable", then notwithstanding the provisions of Condition 3(2) above, if the Issuer (in consultation with the Calculation Agent) determines prior to any Interest Determination Date that any floating rate reference rate including LIBOR or EURIBOR or any similar rate (the "**Existing Reference Rate**") (a) has been discontinued or (b) does not, or whose administrator or sponsor does not, fulfil any legal or regulatory requirement applicable to such administrator, sponsor and/or Existing Reference Rate, then the following provisions shall apply (subject to the subsequent operation of this subclause (8)):

- (A) the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine in the Independent Adviser's discretion, in accordance with paragraph (D) below, an alternative rate to the Existing Reference Rate (the "**Alternative Reference Rate**") no later than three Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (such Business Day, the "**Independent Adviser Determination Cut-off Date**", and such next succeeding Interest Period, the "**Affected Interest Period**") for purposes of determining the Rate of Interest applicable to the Affected Interest Period and all Interest Periods thereafter;
- (B) if prior to the Independent Adviser Determination Cut-off Date the Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by the Issuer fails to determine an Alternative Reference Rate in accordance with paragraph (D) below, then the Issuer (in consultation with the Calculation Agent) may determine in its discretion, in accordance with paragraph (D) below, the Alternative Reference Rate for purposes of determining the Rate of Interest applicable to the Affected Interest Period and all Interest Periods thereafter;
- (C) if paragraph (B) above applies and the Issuer is unable or unwilling to determine the Alternative Reference Rate prior the Interest Determination Date relating to the Affected Interest Period in accordance with paragraph (D) below, the Rate of Interest applicable to the Affected Interest Period shall be determined as at the last preceding Interest Determination Date (through substituting, where a different Margin is to be applied to the Affected Interest Period from that which applied to the last preceding Interest Period (pursuant to the terms contained in the relevant Final Terms), the Margin relating to the Affected Interest Period, in place of the Margin relating to that last preceding Interest Period); provided, however, that, if this subclause (C) applies to such succeeding Interest Period, the Rate of Interest for all future Interest Periods shall be the Rate of Interest applicable to such succeeding Interest Period as determined in accordance with this paragraph (C) unless (1) the Issuer, in its sole discretion, elects to determine an Alternative Reference Rate in respect of any such succeeding Interest Period and all Interest Periods thereafter in accordance with the processes set out in this Condition 3(8), and (2) an Alternative Reference Rate is so determined;
- (D) in the case of any determination of an Alternative Reference Rate pursuant to paragraphs (A) or (B) above, the Alternative Reference Rate shall be such rate as the Independent Adviser or the Issuer (in consultation with the

Calculation Agent and acting in good faith and a commercially reasonable manner), as applicable, determines in its reasonable discretion has replaced the Existing Reference Rate in customary market usage, or, if the Independent Adviser or the Issuer, as applicable, determines in its reasonable discretion that there is no such rate, such other rate as the Independent Adviser or the Issuer (in consultation with the Calculation Agent and acting in good faith and a commercially reasonable manner) determines in its reasonable discretion is most comparable to the Existing Reference Rate; and

- (E) if the Independent Adviser or the Issuer determines an Alternative Reference Rate pursuant to paragraphs (A) or (B) above, respectively, and (D) above,
- (1) the Independent Adviser (in the case of (II) below, in consultation with the Issuer) or the Issuer (as the case may be) shall also, following consultation with the Calculation Agent, determine in its reasonable discretion (I) the method for obtaining the Alternative Reference Rate, including the screen page on or source from which the Alternative Reference Rate appears or is obtained (the "**Alternative Relevant Screen Page**"), (II) whether to apply an Adjustment Spread to the Alternative Reference Rate and, if so, the Adjustment Spread, which Adjustment Spread shall be recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Existing Reference Rate, where such rate has been replaced by the Alternative Reference Rate, and (III) any alternative method for obtaining the Alternative Reference Rate if such rate is unavailable on the relevant Interest Determination Date, which alternative method shall be consistent with any Alternative Reference Rate that has broad market support;
- (2) for the Affected Interest Period and all Interest Periods thereafter, references to the Reference Rate in these Terms and Conditions shall be deemed to be references to the Alternative Reference Rate (giving effect to any Adjustment Spread determined pursuant to paragraph (1)(II) above);
- (3) references to the Relevant Screen Page in these Terms and Conditions shall be deemed to be references to the Alternative Relevant Screen Page;
- (4) if any changes to the definitions of Day Count Fraction, Business Day and/or Interest Determination Date are necessary in order to implement the Alternative Reference Rate (including any Adjustment Spread determined pursuant to paragraph (1)(II) above) as the Reference Rate and/or changes to Condition 3 to implement any alternative method for determining the Alternative Reference Rate as described in paragraph (1)(III) above, and, if so, such definitions and such Condition 3 shall be amended as contemplated in paragraph (2) of Condition 15 (*Meetings of Holders; Modification*) to reflect such changes; and
- (5) the Issuer shall promptly give notice to the Noteholders in accordance with Condition 12 (*Notices*) specifying the Alternative Reference Rate (including any Adjustment Spread determined pursuant to paragraph (1)(II) above), the Alternative Relevant Screen Page and any alternative method for obtaining the Alternative Reference Rate described in paragraph (1)(III) above. Any such amendments shall be implemented pursuant to paragraph (2) of Condition 15 (*Meetings of Holders; Modification*) as described in paragraph (4) above.
- (6) For the purposes of the above:

"Adjustment Spread" means a spread (which may be positive or negative) or formula or methodology for calculating a spread applied to the Alternative Reference Rate in order to reduce or eliminate, to the extent reasonably

practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders and Couponholders as a result of the replacement of the Existing Reference Rate with the Alternative Reference Rate.

Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case, appointed by the Issuer at its own expense.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

4. (Redemption)

(1) *Final Redemption.* The [Notes] [Certificates] shall be redeemed ***[[in case of [Notes] [Certificates] [Bonds] other than Index, Equity, Bond, Commodity, Currency, Future, Credit Linked, Exchangeable, TRENDS- and FX FAST [Notes] [Certificates] [Bonds]:]*** at their Final Redemption Amount [on ***[insert maturity date]*** [the Interest Payment Date falling in ***[insert redemption month]***] (the "Maturity Date"***]]***) ***[[in case of Index, Equity, Bond, Commodity, Currency, Future, Credit Linked and Exchangeable [Notes] [Certificates] [Bonds]:]*** pursuant to Condition 4b). ***[[in case of [Interest] TRENDS- and FX FAST [Notes] [Certificates] [Bonds]:]*** pursuant to Condition 4e. [The [Notes] [Certificates] [Bonds] do not have a fixed maturity date. ***[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date]]***].

[(2)] [If Tax Call shall be applicable, insert: [Tax Call. The [Notes] [Certificates] [Bonds] shall be redeemed at their Early Redemption Amount [together with interest accrued to the date fixed for redemption] at the option of the Issuer in whole, but not in part, [on any Interest Payment Date or, if so specified in the Final Terms,] at any time, on giving not less than 30 days' notice to the [Noteholders] [Certificateholders] [Bondholders] (which notice shall be irrevocable) by settlement in cash in accordance with Condition 5 if; (i) on the occasion of the next payment or delivery due under the [Notes] [Certificates] [Bonds], the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 6 as a result of any change in, or amendment to, the laws or regulations of [Switzerland], [or] [,] [the United Kingdom] [or] [,] [or] [,] [the Federal Republic of Germany ("Germany")] [or] [,] ***[insert further relevant jurisdictions]*** or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures (but no Substitution of the Issuer pursuant to Condition 10) available to it. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by an executive director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

[(2)]/[(3)] [Issuer's Call. [The Issuer may redeem all, or some only, of the [Notes] [Certificates] [Bonds] then outstanding on ***[insert optional redemption date(s)]*** ([the] [each an] "Optional Redemption Date") at their Optional Redemption Amount together, with any interest accrued to but excluding the relevant Optional Redemption Date upon having given (i) not less than [5] ***[insert other number]*** [days'] [Business Days'] notice to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 and (ii) not less than [7] ***[insert other number]*** [days'] [Business Days]

before the giving of the notice referred to in (i), notice to the Fiscal Agent (which notices shall be irrevocable and shall specify the Optional Redemption Date fixed for redemption). Any such redemption must be of a [principal amount] [par value] equal to the Minimum Redemption Amount or a Higher Redemption Amount. In the case of a partial redemption of [Notes] [Certificates] [Bonds], the [Notes] [Certificates] [Bonds] to be redeemed will be selected in accordance with the rules of the Clearing System. Any such redemption can be exercised on **[insert option exercise dates]** (each an "Option Exercise Date").] **[In case of an Automatic Early Redemption insert:]** The [Notes] [Certificates] [Bonds] shall be redeemed all or some only on **[insert optional redemption date(s)]** ([the] [each an] "Optional Redemption Date") at their Optional Redemption Amount together, with any interest accrued to but excluding the relevant Optional Redemption Date if **[insert conditions which lead to an Automatic Early Redemption in case such conditions are met]** are met, without the requirement of an exercise notice by the Issuer. [The occurrence of the afore-mentioned conditions relating to such automatic early redemption will be notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12.] Any such redemption must be of a [principal amount] [par value] equal to the Minimum Redemption Amount or a Higher Redemption Amount.]

[insert other or further provisions or definitions if required; delete subparagraphs, if required]

[(2)]/[(3)]/[(4)] **[Noteholder's] [Certificateholder's] [Bondholder's] Put.** The Issuer shall, upon the [Noteholder] [Certificateholder] [Bondholder] giving not less than 15 nor more than 30 days' notice to the Issuer, redeem such [Notes] [Certificates] [Bonds] on **[specify optional redemption date(s)]** (each a "Put Redemption Date") at their Optional Redemption Amount together with interest accrued to the date fixed for redemption against delivery of such [Notes] [Certificates] [Bonds] for the Issuer or to its order. To exercise such option the [Noteholder] [Certificateholder] [Bondholder] must submit a duly completed option exercise notice in the form obtainable from any Paying Agent or from the Issuer on **[insert option exercise dates]** (each an "Option Exercise Date"). No option so exercised may be revoked or withdrawn.]

[insert other or further provisions or definitions if required; delete subparagraphs, if required]

[(2)]/[(3)]/[(4)]/[(5)] **Early Redemption following the occurrence of a Change in Law, Hedging Disruption and/or Increased Cost of Hedging.** The Issuer may redeem the [Notes] [Certificates] [Bonds] at any time prior to the [Maturity Date] following the occurrence of a Change in Law and/or a Hedging Disruption and/or an Increased Cost of Hedging. The Issuer will redeem the [Notes] [Certificates] [Bonds] in whole (but not in part) on the second Business Day after the notice of early redemption in accordance with Condition 12 has been published and provided that such date does not fall later than two Business Days prior to the [Maturity Date] (the "Early Redemption Date") and will pay or cause to be paid the Early Redemption Amount in respect of such [Notes] [Certificates] [Bonds] to the relevant [Noteholders] [Certificateholders] [Bondholders] for value such Early Redemption Date, subject to any applicable fiscal or other laws or regulations and subject to and in accordance with these Terms and Conditions and the applicable Final Terms. Payments of any applicable taxes and redemption expenses will be made by the relevant [Noteholder] [Certificateholder] [Bondholder] and the Issuer shall not have any liability in respect thereof.

Whereby:

"Change in Law" means that, on or after the Issue Date of the [Notes] [Certificates] [Bonds] (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that (X) it has become illegal to hold, acquire or dispose of the [securities underlying the Index] [underlying securities relating to the [Notes]

[Certificates] [Bonds] [**specify others**], or (Y) it will incur a materially increased cost in performing its obligations under the [Notes] [Certificates] [Bonds] (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge price risks of issuing and performing its obligations with respect to the [Notes] [Certificates] [Bonds], or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s); and

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of issuing and performing its obligations with respect to the [Notes] [Certificates] [Bonds], or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

[In case of FX FAST or TRENDS [Notes] [Certificates] [Bonds] insert]

[(2)]/[(3)]/[(4)]/[(5)]/[(6)] **[Early Redemption at the Option of the Issuer following the occurrence of a Termination Event.** If any of the following **"Termination Events"**, as described below, occurs at any time, the Issuer shall be entitled, but not obliged, to terminate the [Notes] [Certificates] [Bonds] by way of publication pursuant to Condition 12 specifying the Termination Event (the **"Termination"**):

- (a) The determination and/or publication of the price of the Available Currency [(Condition 4a)] is discontinued permanently or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.
- (b) It is, in the opinion of the Issuer and of the Calculation Agent [in their reasonable discretion] [acting reasonably] not possible, for whatever reason, to make adjustments to these Terms and Conditions of the [Notes] [Certificates] [Bonds].
- (c) An Available Currency is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such Available Currency, replaced by another currency, or merged with another currency to become a common currency, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.
- (d) A Relevant Country (as defined below) (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its affiliates' ability to acquire, hold, transfer or realise an Available Currency or otherwise to effect transactions in relation to an Available Currency.
- (e) The occurrence at any time of an event, which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its affiliates from:
 - (i) converting the Available Currency into the Settlement Currency, into another Available Currency or into another currency through customary

legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;

- (ii) converting the Available Currency into the Settlement Currency, into another Available Currency or into another currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
 - (iii) delivering an Available Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
 - (iv) transferring an Available Currency between accounts inside any Relevant Country or to a party that is a nonresident of such Relevant Country.
- (f) In the opinion of the Issuer and of the Calculation Agent [in their reasonable discretion] [acting reasonably] another material change in the market conditions occurred in relation to the relevant for the calculation and determination of the price of the Available Currency, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.

A "**Relevant Country**" shall mean with respect to each Available Currency, each of

- (i) any country (or any political or regulatory authority thereof) in which a Available Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which an Available Currency has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factor(s) as it may deem appropriate.

all as determined by the Issuer and the Calculation Agent [in their reasonable discretion] [acting reasonably] [*insert other provisions and/or definitions*]

[The **Termination** has to be effected within one month following the occurrence of the Termination Event and shall specify the calendar day, on which the Termination becomes effective (the "**Termination Date**"). The Issuer reserves the right to determine in cases of doubt the occurrence of a Termination Event. Such determination shall be done [in its reasonable discretion] [acting reasonably] [*insert other provisions and/or definitions*]

[In case of Termination the Issuer shall pay to each [Noteholder] [Certificateholder] [Bondholder] an amount in the Settlement Currency with respect to each [Note] [Certificate] [Bond] held by him, which is stipulated by the Issuer [in its reasonable discretion] [acting reasonably] and, if applicable, considering the price of the Available Currency then prevailing and the expenses of the Issuer caused by the Termination, as fair market price at occurrence of termination (the "**Early Redemption Amount**").] [*insert other or further provisions or definitions if required; delete sub-paragraphs, if required*]]

[(3)]/[(4)]/[(5)]/[(6)]/[(7)] *Redemption Amounts*. For the purposes of this Condition 4 and Condition 8 (Events of Default) the following applies:

The "**Final Redemption Amount**" in respect of each [Note] [Certificate] [Bond] shall be [its [principal amount] [par value]] [*otherwise insert final redemption amount per denomination*] [par value]].

The "**Early Redemption Amount**" [*in case of interest bearing [notes] [certificates] [bonds]:*] in respect of each [Note] [Certificate] [Bond] shall be [its [principal amount] [par value]] [determined in the sole discretion of the Calculation Agent] [*otherwise insert early redemption amount per [denomination] [par value]*]]

[[in case of Zero Coupon [Notes] [Certificates] [Bonds]:] in respect of each [Note] [Certificate] [Bond] shall be calculated as follows:

- (a) **[insert Reference Price]** (the "Reference Price"), and
- (b) the product of **[insert Amortisation Yield in per cent.]** (the "Amortisation Yield") and the Reference Price from and including the Issue Date to but excluding the date fixed for redemption or (as the case may be) the date upon which the [Notes] [Certificates] [Bonds] become due and payable, whereby the Amortisation Yield shall be compounded annually.]

[The "Optional Redemption Amount" in respect of each [Note] [Certificate] [Bond] shall be [its [principal amount] [par value]] [determined in the sole discretion of the Calculation Agent] **[otherwise insert optional redemption amount per [denomination] [par value]].]**

[The "Minimum Redemption Amount" in respect of each [Note] [Certificate] [Bonds] shall be **[insert amount]** and "Higher Redemption Amount" in respect of each [Note] [Certificate] [Bond] shall be **[insert amount].]**

[In case of Index Linked, Equity Linked, Bond Linked, Commodity Linked, Currency Linked, Future Linked, Credit Linked, Exchangeable, [Interest] TRENDS- and FX FAST [Notes] [Certificates] [Bonds] supplement the relevant Supplemental Terms and Conditions and specify any applicable Protection Amount as specified in the Final Terms; insert relevant provisions for Dual Currency [Notes] [Certificates] [Bonds].]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

[(8)] Uncertificated Securities

Uncertificated Securities shall be redeemed in accordance with the Applicable Procedures.

5. (Payments)

For the purposes of this Condition 5, references to payment or repayment (as the case may be) of principal and/or interest and other similar expressions will, where the context so admits, be deemed also to refer to delivery of the underlying asset(s) with respect to any physical delivery amount(s).

- (a) **General:** Only Noteholders of Notes named in the Register at 17h00 (Johannesburg time) on the relevant Record Date shall be entitled to payments of amounts (whether in respect of principal, interest or otherwise) due and payable, in respect of the Notes.

Any payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Notes shall be made by the Paying Agent, on behalf of the Issuer, on the terms and conditions of the Agency Agreement and this Condition 5. The Issuer shall not be responsible for the loss in transmission of any funds paid by, or deliveries made by, the Paying Agent to the Noteholders of listed Notes. Any amount paid or delivered by the Issuer to the Paying Agent (into such separate bank account of the Issuer held with the Paying Agent for the Notes as is agreed in writing between the Issuer and the Paying Agent from time to time) in accordance with the Agency Agreement, shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Noteholders under the Notes, the Conditions and the Agency Agreement.

Payments and deliveries will be subject in all cases to any fiscal or other laws and regulations applicable thereto in South Africa, but without prejudice to the provisions of Condition 6 (*Taxation*). Any reference in the Conditions to any amounts in respect of any Notes shall be deemed also to refer to any Additional Amounts which may be payable thereunder.

- (b) *Method of payment:* The Paying Agent will, on behalf of the Issuer, pay all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Notes:
- (i) in the case of Notes issued in uncertificated form, in immediately available and freely transferable funds, in ZAR by electronic funds transfer to the bank account of the CSD, in respect of Notes held in the CSD, in accordance with the Applicable Procedures, which in turn will transfer such funds, via the CSD Participants, to the holders of Beneficial Interests in such Notes; and
 - (ii) in the case of Notes represented by an Individual Certificate, in immediately available and freely transferable funds, in ZAR by electronic funds transfer, to the bank account of the person named as the registered Holder of such Notes in the Register or, in the case of joint registered Noteholders, the bank account of the first one of them named in the Register in respect of such Notes.
- (c) *Beneficial Interests:* Following payment to the CSD of amounts due and payable in respect of Notes issued in uncertificated form pursuant to Condition 5(b)(i) above, the relevant funds will be transferred by the CSD, via the CSD Participants, to the holders of Beneficial Interests in such Notes.

Each of the persons reflected in the records of the CSD or the relevant CSD Participant, as the case may be, as the holders of Beneficial Interests in Notes, will look solely to the CSD or the relevant CSD Participant, as the case may be, for such person's share of each payment or delivery so made by the Paying Agent, on behalf of the Issuer, to or for the order of the CSD, in respect of Notes held in the CSD and in relation to all other rights arising under the Notes, subject to and in accordance with the Applicable Procedures.

Neither the Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments or deliveries made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.

Payments of amounts due and payable or deliveries in respect of Beneficial Interests in Notes will be recorded by the CSD, in respect of Notes held in the CSD, distinguishing between interest, principal and any other amount, and such record of payments or deliveries by the CSD, in respect of Notes held in the CSD, will be *prima facie* proof of such payments or deliveries.

- (d) *Payment Date:* If the date for payment of any amount due and payable in respect of a Tranche of Notes is not a Business Day, then such date for payment shall be the following Business Day or such other date for payment determined in accordance with the applicable Business Day Convention specified in the Final Terms. If the date for payment is adjusted in accordance with an applicable Business Day Convention, the Holders of such Notes will not be entitled to further interest or other payments in respect of any delayed payment.
- (e) *Cancellation of Notes:* No payment of any amount due and payable in respect of any such Notes which are to be redeemed pursuant to the Conditions shall be made unless, on or before the Last Day to Trade prior to any Redemption Date, the Transfer Agent has received written notice at its Specified Offices from the Issuer for the redemption and cancellation of such Notes.

- (f) *Surrender of Individual Certificates:* On or before the Last Day to Trade prior to any Redemption Date (including the Maturity Date), the Holder of an Individual Certificate, in respect of a Note to be redeemed (in part or in whole, as the case may be) shall deliver to the Transfer Agent the Individual Certificates to be redeemed. This will enable the Transfer Agent to endorse the partial redemption thereon or, in the case of final redemption, to cancel the relevant Individual Certificates.

Should the Holder of an Individual Certificate refuse or fail to surrender the Individual Certificate for endorsement or cancellation on or before any Redemption Date, the amount payable to him in respect of such redemption, including any accrued interest, shall be retained by the Issuer for such Holder, at the latter's risk, until the Holder surrenders the necessary Individual Certificate, and interest shall cease to accrue to such Holder from the relevant Redemption Date in respect of the amount redeemed.

All documents and Individual Certificates which are required to be presented and/or surrendered to the Transfer Agent in accordance with the Conditions must be so presented and/or surrendered at the Specified Office of the Transfer Agent.

- (g) *References to Principal and Interest:* References to "principal" shall be deemed to include, as applicable, the Final Redemption Amount of the Notes, the Early Redemption Amount of the Notes, the Optional Redemption Amount of the Notes, and any premium and other amounts which may become payable under or in respect of the Notes. References to "interest" shall be deemed to include, as applicable, any Additional Amounts which become payable under Condition 3 above.

6. (Taxation)

- (1) All sums payable by or on behalf of the Issuer pursuant to the Terms and Conditions of the [Notes] [Certificates] [Bonds] will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other government charges of any nature ("**Taxes**") imposed by or on behalf of a Relevant Jurisdiction (as defined below), or any authority thereof or therein having power to impose Taxes unless such withholding or deduction is required by law.
- (2) **[If Tax Call (Condition 4(2) is applicable, insert the following sub-paragraphs (2) to (5):]** If the Issuer is required to withhold or deduct or withhold any Taxes then the Issuer will pay such additional amounts as will result in the holders of the [Notes] [Certificates] [Bonds] receiving the amounts they would have received if no withholding or deduction of Taxes had been required ("**Additional Amounts**").
- (3) The Issuer will not be required to pay any Additional Amounts pursuant to Condition 6(2) in relation to the [Notes] [Certificates] [Bonds] which are presented for payment,
- (i) [as far as the German withholding tax (*Kapitalertragsteuer*) (including *Abgeltungsteuer*) plus solidarity surcharge (*Solidaritätszuschlag*) imposed thereon and church tax (*Kirchensteuer*), if any, to be deducted or withheld pursuant to the German Income Tax Act as amended by the Corporate Tax Reform Act 2008 (*Unternehmensteuerreformgesetz 2008*) or any other tax which may substitute the German withholding tax (*Kapitalertragsteuer*) (including *Abgeltungsteuer*) or the German solidarity surcharge (*Solidaritätszuschlag*) or the church tax (*Kirchensteuer*), as the case may be, is concerned; or]
- (ii) by or on behalf of a [Noteholder] [Certificateholder] [Bondholder] who is liable to such Taxes on the [Notes] [Certificates] [Bonds] as a result of having some connection with the Relevant Jurisdiction other than its mere ownership or possession of the [Note] [Certificate] [Bond] or the receipt of principal or interest in respect thereof; or

- (iii) where such withholding or deduction relates to (i) any European Union Directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which [Germany] **[insert country in which any other issuing branch is located]** or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, regulation, treaty or understanding; or
 - (iv) by or on behalf of a [Noteholder] [Certificateholder] [Bondholder] who would have been able to avoid such withholding or deduction by presenting the relevant [Note] [Certificate] [Bond] to, or arranging to receive payment through, another Paying Agent in a Member State of the EU; or
 - (v) more than 30 days after the Relevant Date (as defined below) except to the extent that the [Noteholder] [Certificateholder] [Bondholder] would have been entitled to receive the Additional Amounts if it had presented the [Note] [Certificate] [Bond] for payment on the last day of the 30-day period.
- (4) **"Relevant Jurisdiction"** means (i) Switzerland in relation to UBS AG; (ii) Switzerland, the United Kingdom and South Africa in relation to UBS AG acting through its London Branch and (iii) any other jurisdiction in which the Issuer is or becomes subject to tax.

"Relevant Date" means the date on which the payment first becomes due. If the full amount of the moneys payable on the due date has not been received by the Paying Agent on or before the due date, then **"Relevant Date"** means the date on which notice to the effect that the full amount of the money due has been received by the Paying Agent is published in accordance with the Terms and Conditions of the [Notes] [Certificates] [Bonds]

7. **(Prescription)**

Claims against the Issuer for payment in respect of the [Notes] [Certificates] [Bonds] shall be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years from whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received in [New York City/other relevant financial centre of the currency of payment] by the Fiscal Agent on or prior to such due date, the date on which, the full amount plus any accrued interest having been so received, notice to that effect shall have been given to the [Noteholders] [Certificateholders] [Bondholders].]

The presentation period provided in Condition 801 paragraph 1, sentence 1 of the German Civil Code is reduced to ten years for the [Notes] [Certificates] [Bonds].

8. **(Events of Default)**

If any of the following events (each an **"Event of Default"**) occurs, any [Noteholder] [Certificateholder] [Bondholder] may by written notice to the Issuer at the specified office of the Fiscal Agent declare such [Note] [Certificate] [Bond] to be forthwith due and payable, whereupon the Early Redemption Amount of such [Note] [Certificate] [Bond] together with accrued interest to the date of payment shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer:

- (i) there is a default for more than 30 days in the payment of any principal or interest due in respect of the [Notes] [Certificates] [Bonds]; or

- (ii) there is a default in the performance by the Issuer of any other obligation under the [Notes] [Certificates] [Bonds] which is incapable of remedy or which, being a default capable of remedy, continues for 60 days after written notice of such default has been given by any [Noteholder] [Certificateholder] [Bondholder] to the Issuer; or
- (iii) any order shall be made by any competent court or other authority in any jurisdiction or any resolution passed by the Issuer for (a) the dissolution or winding-up of the Issuer, or (b) for the appointment of a liquidator, receiver or administrator of the Issuer or of all or a substantial part of the Issuer's assets, or (c) with analogous effect for the Issuer, it is understood that anything in connection with a solvent reorganisation, reconstruction, amalgamation or merger shall not constitute an event of default; or
- (iv) the Issuer shall stop payment or shall be unable to, or shall admit to creditors generally its inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent, or shall enter into any composition or other arrangements with its creditors generally.

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders in accordance with Condition 12 (Notices), the Dealer(s) and the JSE in writing.

9. **(Agents)**

- (1) *Appointment.* The Fiscal Agent, the Paying Agents and the Calculation Agent (together, the "**Agents**") and their offices (which can be substituted with other offices in the same city) are:

Fiscal Agent:

UBS South Africa Proprietary Limited
64 Wierda Road East
Sandton
South Africa
2196

Paying Agent: FirstRand Bank Limited, acting through its Rand Merchant Bank division

Mezzanine Floor, No 3 First Place
Bank City, Corner Simmonds and Jeppe Street
Johannesburg
South Africa
2000

Calculation Agent:

5 Broadgate
London
EC2M 2PP
United Kingdom

[Other]

- (2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint another Fiscal Agent or additional or other Paying Agents or another Calculation Agent provided that the Issuer shall at all times (i) maintain a Fiscal Agent, (ii) so long as the [Notes] [Certificates] [Bonds] are listed and/or traded on a stock exchange, a Paying Agent (which may be the Fiscal Agent) with a specified office in such place as may be required by the rules of such stock exchange, (iii) a Calculation Agent with a specified office located in such

place as required by the rules of any stock exchange or other applicable rules (if any) and (iv) ensure that it maintains a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to any such Directive or law, to the extent this is possible in a Member State of the European Union. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the [Noteholders] [Certificateholder] [Bondholder] in accordance with Condition 12.

[In case [Notes] [Certificate] [Bonds] are denominated in USD, insert:

- (3) *U.S. Paying Agent.* In case the Currency is U.S. dollar and payments at or through the offices of all Paying Agents outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U. S. dollars, the Issuer shall at all times maintain a Paying Agent with a specified office in New York City.]

[(3)][(4)] *Agent of the Issuer.* Any Agent acts solely as the agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for any [Noteholder] [Certificateholder] [Bondholder].

[(4)][(5)] *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Terms and Conditions by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent, the Paying Agents and the [Noteholders] [Certificateholders] [Bondholder].

[(5)][(6)] None of the Calculation Agent or the Paying Agents shall have any responsibility in respect of any error or omission or subsequent correcting made in the calculation or publication of any amount in relation to the [Notes] [Certificates] [Bonds], whether caused by negligence or otherwise (other than gross negligence or willful misconduct).

10. (Substitution of the Issuer)

- (1) The Issuer (reference to which shall always include any previous substitute debtor) may and the [Noteholders] [Certificateholders] [Bondholders] hereby irrevocably agree in advance that the Issuer may without any further prior consent of any [Noteholder] [Certificateholder] [Bondholder] at any time, substitute any company (incorporated in any country in the world) controlling, controlled by or under common control with, the Issuer as the principal debtor in respect of the [Notes] [Certificates] [Bonds] or undertake its obligations in respect of the [Notes] [Certificates] [Bonds] through any of its branches (any such company or branch, the "**Substitute Debtor**"), provided that:

- (a) such documents shall be executed by the Substituted Debtor and the Issuer as may be necessary to give full effect to the substitution (together, the "**Substitution Documents**") and pursuant to which the Substitute Debtor shall by deed poll irrevocably agree and] undertake in favour of each [Noteholder] [Certificateholder] [Bondholders] to be bound by these Terms and Conditions and the provisions of the Agency Agreement and the Deed of Covenant as fully as if the Substitute Debtor had been named in the [Notes] [Certificates] [Bonds] and the Agency Agreement and the Deed of Covenant] as the principal debtor in respect of the [Notes] [Certificates] [Bonds] in place of the Issuer and pursuant to which the Issuer shall irrevocably and unconditionally guarantee in favour of each [Noteholder] [Certificateholder] [Bondholder] the payment of all sums payable by the Substitute Debtor as such principal debtor (such guarantee of the Issuer herein referred to as the "**Substitution Guarantee**");

- (b) the Substitution Documents shall contain a warranty and representation by the Substitute Debtor and the Issuer that the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such substitution and for the giving by the Issuer of the Substitution Guarantee in respect of the obligations of the Substitute Debtor, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations under the Substitution Documents and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor and the Substitution Guarantee given by the Issuer are each valid and binding in accordance with their respective terms and enforceable by each [Noteholder] [Certificate-holder] [Bondholder] and that, in the case of the Substitute Debtor undertaking its obligations with respect to the [Notes] [Certificates] [Bonds] through a branch, the [Notes] [Certificates] [Bonds] remain the valid and binding obligations of such Substitute Debtor ; and
 - (c) Condition 8 shall be deemed to be amended so that it shall also be an Event of Default under the said Condition if the Substitution Guarantee shall cease to be valid or binding on or enforceable against the Issuer.
- (2) Upon the Substitution Documents becoming valid and binding obligations of the Substitute Debtor and the Issuer and subject to notice having been given in accordance with sub-paragraph (4) below, the Substitute Debtor shall be deemed to be named in the [Notes] [Certificates] [Bonds] as the principal debtor in place of the Issuer as issuer and the [Notes] [Certificates] [Bonds] shall thereupon be deemed to be amended to give effect to the substitution including that the relevant jurisdiction in Condition 6 shall be the jurisdiction of incorporation of the Substitute Debtor. The execution of the Substitution Documents together with the notice referred to in sub-paragraph (4) below shall, in the case of the substitution of any other company as principal debtor, operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the [Notes] [Certificates] [Bonds].
- (3) The Substitution Documents shall be deposited with and held by the Fiscal Agent for so long as any [Notes] [Certificates] [Bonds] remain outstanding and for so long as any claim made against the Substitute Debtor or the Issuer by any [Noteholder] [Certificateholder] [Bondholder] in relation to the [Notes] [Certificates] [Bonds] or the Substitution Documents shall not have been finally adjudicated, settled or discharged. The Substitute Debtor and the Issuer acknowledge the right of every [Noteholder] [Certificateholder] [Bondholder] to the production of the Substitution Documents for the enforcement of any of the [Notes] [Certificates] [Bonds] or the Substitution Documents.
- (4) Not later than 15 Business Days after the execution of the Substitution Documents, the Substitute Debtor shall give notice thereof to the [Noteholders] [Certificateholders] [Bondholders] and, if any [Notes] [Certificates] [Bonds] are listed and/or traded on any stock exchange, to such stock exchange in accordance with Condition 12 and to any other person or authority as required by applicable laws or regulations. A supplement to the Information Memorandum relating to the [Notes] [Certificates] [Bonds] concerning the substitution of the Issuer shall be prepared by the Issuer.
- (5) For the purposes of this Condition 10, the term 'control' means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether by contract or through the ownership, directly or indirectly, of voting shares in such company which, in the aggregate, entitle the holder thereof to elect a majority of its directors, and includes any company in like relationship to such first-mentioned company, and for this purpose 'voting shares' means shares in the capital of a company having under ordinary circumstances the right to elect the directors thereof, and 'controlling', 'controlled' and 'under common control' shall be construed accordingly.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

11. (Further Issues. Purchases. Cancellation)

- (1) *Further Issues.* The Issuer may from time to time without the consent of the [Noteholders] [Certificateholders] [Bondholders] create and issue further [Notes] [Certificates] [Bonds] having the same terms and conditions as the [Notes] [Certificates] [Bonds] (except for the issue price[,][and] the Issue Date [, the Interest Commencement Date and the first Interest Payment Date]) and so that the same shall be consolidated and form a single Series with such [Notes] [Certificates] [Bonds], and references to "[Notes] [Certificates] [Bonds]" shall be construed accordingly.
- (2) *Purchases.* The Issuer and any of its subsidiaries may at any time purchase [Notes] [Certificates] [Bonds] at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all [Noteholders] [Certificateholders] [Bondholders] alike. (3) *Cancellation.* All [Notes] [Certificates] [Bonds] redeemed in full or purchased by the Issuer] shall be cancelled forthwith and may not be reissued or resold.

12. (Notices)

- (a) *Notice to Noteholders:* All notices to the Noteholders shall be in writing and shall be sent by registered mail to the respective postal addresses of Noteholders appearing in the Register or delivered by hand to the respective addresses of Noteholders appearing in the Register.

A notice given to Noteholders in terms of Condition 12(a) above shall be deemed to have been received by the Noteholders on the tenth day after mailing or on the day of delivery by hand as contemplated in Condition 12(a) above.

Notwithstanding the provisions of Condition 12(a) above, for so long as all of the Notes in a Tranche of Notes are held in their entirety in the CSD, there may be substituted for the notice contemplated in Condition 12(a) above, the delivery of the relevant notice to the CSD and the JSE, for communication by them to the holders of Beneficial Interests in such Notes in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests and the CSD on the day of such delivery in accordance with the Applicable Procedures.

Where any provision of the Conditions requires notice to be given to the Noteholders of any matter other than a meeting of Noteholders, such notice will be given *mutatis mutandis* as set out in this Condition 12(a), subject to compliance with any other time periods prescribed in the provision concerned.

Any notices to Noteholders (the CSD Nominee and the JSE), including of meetings, events of default and any amendments to the Terms and Conditions, shall be published on the stock exchange news service ("**SENS**").

- (b) *Notice by Noteholders:* All notices to be given by a Noteholder represented by an Individual Certificate to the Issuer or the Agents, as the case may be, shall be in writing and given by delivering the notice, by hand or by registered post, together with a certified copy of that Individual Certificate, to the Specified Office of the Issuer or the Agents, as the case may be. Each such notice shall be deemed to have been received on the date of delivery (if such notice is delivered by hand) or the tenth Business Day after the date on which such notice is sent by registered mail (if such notice is sent by registered mail).

All notices to be given by any holder of a Beneficial Interest to the Issuer or the Agents, as the case may be, shall be given by such holder through such holder's CSD Participant in accordance with the Applicable Procedures.

13. **(Governing Law. Jurisdiction and Process Agent. [Corrections])**

- (1) *Governing Law.* The [Notes] [Certificates] [Bonds] and any non-contractual obligations arising out of or in connection herewith, are governed by English law.
- (2) *Jurisdiction.* The exclusive place of jurisdiction for all proceedings arising out of or in connection with the [Notes] [Certificates] [Bonds] (including a claim, dispute or difference relating to the existence, validity or termination of the [Notes] [Certificates] [Bonds] or any non-contractual obligations arising out of or in connection therewith) ("**Proceedings**") shall be the courts of England. The [Noteholders] [Certificateholders] [Bondholders], however, may also pursue their claims before any other court of competent jurisdiction. The Issuer hereby submits to the jurisdiction of the courts referred to in this subparagraph.
- (3) *Appointment of Process Agent.* The Issuer appoints UBS AG, London Branch whose executive office is located at 5 Broadgate, London EC2M 2QS, England, as its agent for service of process and undertakes that, in the event of UBS AG, London Branch ceasing so to act, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

14. **(Language)**

These Conditions are written in the English language only.

15. **(Meetings of Holders; Modification)**

(1) *Meetings.*

Terms used in this Condition 15, and not defined elsewhere, bear the meanings assigned thereto in Condition 15(t).

- (a) *Issue of forms of proxy:* The Holder of a Note may obtain an uncompleted and unexecuted Form of Proxy from the Transfer Agent. A Form of Proxy will be included in the notice of a Meeting.
- (b) *References to deposit/release of of the Notes Notes:* References to the deposit, or release, of the Notes Notes shall be construed in accordance with the Applicable Procedures.
- (c) *Validity of forms of proxy:* A Form of Proxy shall be valid if it is deposited at the Specified Office of the Transfer Agent, or at some other place approved by the Transfer Agent, at any time before the Proxy exercises the rights of the Noteholder at the relevant Meeting or the Chairperson decides otherwise before the Meeting proceeds to business, at which the person named in such Form of Proxy proposes to vote. No Form of Proxy will be valid after the expiration of 6 months from the date named in it as the date of its execution.
- (d) *Record Date:* The Issuer may fix a record date for the purposes of any Meeting of Holders of Notes or any resumption thereof following its adjournment for want of a quorum provided that such record date is not more than 10 days prior to the

time fixed for such Meeting or (as the case may be) its resumption. The person in whose name a Note is registered in the Register on the record date at the close of business in the city in which the Transfer Agent has its Specified Office shall be deemed to be the Noteholder of such Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Note or entries in the Register.

- (e) *Convening of meetings:* The Issuer may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one tenth in aggregate principal amount of the outstanding Notes of the Applicable Series.
- (f) *Notices:* Unless every holder of outstanding Notes of the Applicable Series who is entitled to exercise voting rights in respect of any item on the meeting agenda is present at the meeting and votes for a shorter period, at least 15 Business Days written notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the holders of outstanding Notes of the Applicable Series and the Transfer Agent (with a copy to the Issuer). The notice shall set out the full text of any resolutions to be proposed and shall state that the Notes may be deposited with, or to the order of, the Transfer Agent, for the purposes of appointing Proxies at any time before the Proxy exercises the rights of the Noteholder at the Meeting or adjourned Meeting at which the person named in such Form of Proxy proposes to vote.
- (g) *Chairperson:* An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, then those present shall elect one of themselves to take the chair, failing which the Issuer may appoint a Chairperson. The Chairperson of an adjourned Meeting need not be the same person as was the Chairperson of the original Meeting.
- (h) *Quorum:* The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes of the Applicable Series; provided; however, that, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Notes of the Applicable Series is issued in uncertificated form, a single Proxy representing the Noteholder thereof shall be deemed to be two Voters for the purpose of forming a quorum.
- (i) *Adjournment for want of a quorum:* If within 1 hour after the time fixed for any Meeting a quorum is not present, then:
 - (i) in the case of a Meeting requested by Noteholders, it shall be dissolved; or
 - (ii) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such time and place as the Chairperson determines; provided, however, that:
 - (A) the Meeting shall be dissolved if the Issuer so decides; and
 - (B) no Meeting may be adjourned more than once for want of a quorum.
- (j) *Adjourned meeting:* The Chairperson may, with the consent of (and shall if directed by) any Noteholders, adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

(k) *Notice following adjournment:* Condition 12 (*Notices*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

- (i) 10 days notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- (ii) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

(l) *Participation:* The following may attend and speak at a Meeting:

- (i) Voters;
- (ii) holders of Beneficial Interests;
- (iii) representatives of the Issuer and the Transfer Agent;
- (iv) the financial advisers of the Issuer;
- (v) the legal counsel to the Issuer and the Transfer Agent;
- (vi) the Sponsor;
- (vii) any other person approved by the Meeting.

(m) *Show of hands:* Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

(n) *Poll:* A demand for a poll shall be valid if it is made by the Chairperson, the Issuer or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairperson directs, but any poll demanded on the election of the Chairperson or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairperson directs.

(o) *Votes:* Every Voter shall have:

- (i) on a show of hands, one vote; and
- (ii) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Note(s) represented or held by him by the unit of South African Rand.

In the case of a voting tie, the Chairperson shall have a casting vote.

(p) *Validity of proxies:* Any vote by a Proxy in accordance with the Form of Proxy shall be valid even if such Form of Proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the Transfer Agent or

the Issuer at its Specified Office has not been notified in writing of such amendment or revocation by the time before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a form of proxy in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; provided, however, that no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under the Form of Proxy to vote at the Meeting when it is resumed.

- (q) *Powers:* A Meeting shall have the power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:
 - (i) to approve any changes to Notes with the consent of the Issuer;
 - (ii) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes.
- (r) *Extraordinary Resolution binds all Holders:* An Extraordinary Resolution shall be binding upon all Noteholders whether or not present at such Meeting and whether or not voting and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agent (with a copy to the Issuer) within 14 days of the conclusion of the Meeting in accordance with Condition 12. Non-publication shall not invalidate any such resolution.
- (s) *Minutes:* Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairperson shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed thereat, or proceedings held, to have been duly passed and held.
- (t) *Written resolution and written consent:* A Written Resolution shall take effect as if it were an Extraordinary Resolution.
- (u) *No voting rights on Notes held by Issuer and associates:* Neither the Issuer nor any subsidiary of the Issuer nor any guarantor of the Issuer's obligations under the Notes, will have any voting rights on any Notes held by it.

For the purposes of the above Condition 15, the following expressions have the following meanings:

"Applicable Series" means the Series of Notes to which the proposed amendments are relevant;

"Chairperson" means, in relation to any Meeting, the individual who takes the chair in accordance with Condition 15(g) (*Chairperson*);

"Extraordinary Resolution" means a resolution passed at a Meeting duly convened and held in accordance with this Condition 15 by a majority of not less than 75% of the outstanding value of an Applicable Series of Notes or 75% of the outstanding value of the votes exercised by Holders of all outstanding Notes who are eligible to participate at the relevant Meeting and who are present in person or by proxy and voting, by a show of hands or, if a poll is demanded, then by poll;

"Form of Proxy" means, means, in relation to any Meeting, a document in the English language available from the Transfer Agent signed by a Holder of Notes, or in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer and delivered to the Transfer Agent at any time before the Proxy exercises the rights of the Noteholder at the Meeting or adjourned Meeting at which the person named in such Form of Proxy proposes to vote, appointing a named individual or individuals to vote in respect of the Notes held by that Noteholder;

"Meeting" means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Form of Proxy by a Holder of a Note, other than:

- (i) any such person whose appointment has been revoked and in relation to whom the Transfer Agent has been notified in writing of such revocation before the time fixed for such Meeting; and
- (ii) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"Relevant Fraction" means, for all business, not less than half; provided, however, that in the case of a Meeting which has been resumed after adjournment for want of a quorum it means, for voting on all business, not less than one quarter;

"Voter" means in relation to any Meeting: the bearer of a Form of Proxy, the Holder of an Individual Certificate who produces such Individual Certificate or, subject to Condition 15(d) (*Record Date*) above, a Holder of a Note, in each case in relation to the Applicable Series of Notes, provided however that (subject to Condition 15(d) (*Record Date*) above, any Holder of Notes which has appointed a Proxy under a Form of Proxy shall not be a "Voter" except to the extent such appointment has been revoked and the Transfer Agent has been notified in writing of such revocation before the time fixed for such Meeting. All instructions by any holder of a Beneficial Interest in regard to the exercise of votes relating to its holding of Notes, shall be given by such holder through such holder's CSD Participant in accordance with the Applicable Procedures;

"Written Resolution" means a resolution in writing signed by or on behalf of all Holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Condition 12 (*Notices*), whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Holders of Notes;

"24 hours" means a period of 24 hours including all or part of a day on which banks are open for business in Johannesburg and London and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid;

(2) *Modification.*

- (a) Subject to Condition 15(2)(b) below, the Issuer may effect, without the consent of any Noteholder, any amendment to the Conditions which is of a technical nature or is made to correct a manifest error or to comply with mandatory provisions of the applicable law. Any such amendment will be binding on Noteholders and such amendment will be notified to Noteholders in accordance with Condition 12 (*Notices*)

as soon as practicable thereafter and to the JSE.

- (b) In respect of an amendment that is not of a technical nature, or is made to correct a manifest error or to comply with mandatory provisions of the applicable law, such amendment may be made only with the prior authorisation of an Extraordinary Resolution of (i) all of the Noteholders or (ii) the Noteholders of the particular Series of Notes, as the case may be, or with the prior written consent of Noteholders holding not less than 75% of the outstanding Nominal Amount of all the Notes or the Notes of the particular Series of Notes, as the case may be. The Issuer will call a meeting of all of the Noteholders or a meeting of the Noteholders of that Series, as the case may be. Such meeting or meetings will be regulated by the provisions set out in Condition 15 (*Meetings of Noteholders*). No proposed amendment will be made to the Conditions until such amendment has been approved by Extraordinary Resolution at such meeting or meetings and been subject to the prior formal approval of the JSE in compliance with the JSE Main Board Listings Requirements.

16. **(Third Party Rights)**

No person shall have any right to enforce any term or condition of the [Notes] [Certificates] [Bonds] under the Contracts (Rights of Third Parties) Act 1999. ***[insert other or further provisions or definitions if required; delete subparagraphs, if required]***

SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES] [BONDS] FOR INDEX LINKED [NOTES] [CERTIFICATES] [BONDS]

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following Supplemental Terms and Conditions for Index Linked [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"Administrator/Benchmark Event" means, in relation to an Index, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Index or the administrator or sponsor of the Index has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Index to perform its or their respective obligations in respect of the Index Linked [Notes][Certificates][Bonds].

["Basket" means, in respect of an Index Basket Transaction, a basket composed of ***[insert Indices]*** [each Index specified in the Final Terms] in the relative proportions ***[of specify proportion of each Index]*** [specified in the Final Terms]].

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Early Closure" means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the

submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"Exchange" means each exchange or quotation system specified as such for the Index any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the shares underlying the Index on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, any Scheduled Trading Day on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for securities on any relevant Exchange relating to securities that comprise 20 per cent. or more of the level of the Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on any relevant Related Exchange.

["Expiration Date" means [*specify date*] and shall correspond to the [Final] Index Valuation Date.]

["Extraordinary Event" means an Index Adjustment Event.]

"Index" means [*insert Index or Indices*].

"Index Adjustment Event" means an Index Modification, Index Cancellation or Index Disruption, all as defined in Condition 4c(2) below, or an Administrator/Benchmark Event.

["Index Basket Level" means an amount calculated by the Calculation Agent by multiplying the Index Level for each Index contained in the Basket with the proportion (expressed as a percentage rate) specified for such Index [in the relevant Final Terms].

["Index Basket Transaction" means [this issue of [Notes] [Certificates] [Bonds]] [an issue of [Notes] [Certificates] [Bonds] specified as such in the relevant Final Terms].]

"Index Business Day" means any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day on each Exchange and each Related Exchange, other than a day on which trading on any such Exchange or Related Exchange is scheduled to close prior to its regular weekday closing time.

"Index Component" means those securities, assets or reference values of which the Index is comprised from time to time.

"Index Level" means the level of the Index as determined by the Calculation Agent at the relevant Valuation Time on each Index Valuation Date by reference to the level of the Index published by the Index Sponsor.

"Index Linked Redemption Amount" means an amount [, which shall never be less than the Protection Amount,] determined by the Calculation Agent on the Final Index Valuation Date in accordance with the following formula [*specify redemption formula*] and which shall always be equal to or greater than zero and, in the event that such amount will be less than zero, shall be deemed to be zero [if so specified in the Final Terms].

"Index Sponsor" means [*insert name of sponsor*] which is the corporation or other entity that is responsible for setting and reviewing the rules and procedures and the methods of

calculation and adjustments, if any, related to the relevant Index and announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day; where reference to the Index Sponsor shall include a reference to the "Successor Index Sponsor" defined in Condition 4c(1) below.

"Index Valuation Date(s)" means *[insert Valuation Time and Financial Center]* on *[insert date]* where *[insert date]* shall be the "Final Index Valuation Date".

"Market Disruption Event" means the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of an Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

"Related Exchange(s)" means *[insert exchange or quotation system which is specified in the Final Terms]* or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on such temporary substitute exchange or quotation system as on the original Related Exchange).] *[[In cases where the Final Terms specify "All Exchanges" as the Related Exchange insert the following:]* each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or, in any such case, any transferee or successor exchange of such exchange or quotation system.]

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions, 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 of the regular trading session hours.

"Scheduled Trading Day" means any day on which each Exchange and each Related Exchange specified are scheduled to be open for trading for their respective regular trading sessions.

"Trading Disruption" means 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) relating to securities that comprise 20 per cent. or more of the level of the Index on any relevant Exchange or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange.

"Valuation Date" means [each] [Index Valuation Date] *[specify date]*.

"Valuation Time" means *[[specify time and financial center]* on the Valuation Date] [the time on the Valuation Date specified for the valuation of the Index as specified in the relevant Final Terms].

[insert other or further definitions, as the case may be, if necessary]

Condition 4b
(Redemption. [Extraordinary Events])

(1)[*insert in case of [Notes][Certificates] [Bonds] with a fixed maturity date:*]The [Notes] [Certificates] [Bonds] shall be redeemed [on [*insert Maturity Date*] (the "**Maturity Date**")] at [the Index Linked Redemption Amount] [either the Index Linked Redemption Amount or by delivery of [*insert securities to be delivered*]] [upon automatic exercise] as determined by the Calculation Agent in accordance with the provisions hereof [and the Final Terms] and as notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 by the Calculation Agent immediately after being determined.] [*insert in case of [Notes] [Certificates] without a fixed maturity date:*] The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] [*insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date.*]

[If "Cancellation and Payment" is specified in the Final Terms]

(2) *Extraordinary Event.* In the event of an Extraordinary Event the Issuer may redeem all, or some only, of the [Notes] [Certificates] [Bonds] then outstanding at the Early Redemption Amount [or any other amount specified in the Final Terms] together, if appropriate, with interest accrued to (but excluding) the date of redemption upon the Issuer having given not less than [5] [*specify*] [Business Days][days] notice to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12; and not less than [7] [*specify*] [Business Days][days] before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4c

(Successor Index. Calculation Agent Adjustment. Correction of an Index. Disrupted Days)

(1) *Successor Index.* If any Index is not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent or replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the calculation, of that Index (the "**Successor Index**"), then such Index shall be deemed to be the index so calculated and announced by the Successor Index Sponsor or that Successor Index, as the case may be, after adjustment by the Calculation Agent to reflect any costs to the Issuer of adjusting any positions hedging the [Notes] [Certificates] [Bonds].

(2) *Calculation Agent Adjustment or Redemption.* If, in the determination of the Calculation Agent (i) on or before any Index Valuation Date the Index Sponsor (or if applicable) Successor Index Sponsor makes or announces that it will make a material change in the formula for, or the method of calculating, an Index or in any other way materially modifies an Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent securities and capitalisation and other routine events) (an "**Index Modification**"); or (ii) the Index Sponsor permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**") or (iii) on any Index Valuation Date the Index Sponsor fails to calculate and publish the Index Level (an "**Index Disruption**") or (iv) an Administrator/Benchmark Event has occurred, then the Issuer May take the action described in (A) or (B) below:

A. require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the [Notes] [Certificates] [Bonds] and, if so, make such adjustments of the terms and conditions of the [Notes] [Certificates] [Bonds] as it deems appropriate to account for the Index Adjustment Event including, without limitation, calculating the relevant level or price using, in lieu of a published level for the Index, the level for

the Index as set out at the relevant time as determined by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect immediately before that change, failure or cancellation, but using only those Index Components that comprised that Index immediately prior to that Index Adjustment Event. The Calculation Agent shall notify the Fiscal Agent and the [Noteholders] [Certificateholders] [Bondholders] thereof in accordance with Condition 12; or

- B. cause the [Notes] [Certificates] [Bonds] to be redeemed at their Early Redemption Amount [together with interest accrued to the date fixed for redemption] at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 days' notice to the [Noteholders] [Certificateholders] [Bondholders] (which notice shall be irrevocable) by settlement in cash in accordance with Condition 5.

(3) *Correction of an Index.* In the event that any price or level published on the Exchange or Related Exchange or by the Index Sponsor and which is utilised for any calculation or determination made in relation to the [Notes] [Certificates] [Bonds] is subsequently corrected and the correction is published by the Exchange or the Index Sponsor before the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such transaction to account for such correction and will notify the [Noteholders] [Certificateholders] [Bondholders] accordingly pursuant to Condition 12.

(4) *Disrupted Days.* If the Calculation Agent in its sole and absolute discretion determines that any Index Valuation Date is a Disrupted Day, then the Index Valuation Date shall be the first succeeding Index Business Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the five Index Business Days immediately following the original date is a Disrupted Day. In that case:

(a) that fifth Index Business Day shall be deemed to be the Index Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and

(b) the Calculation Agent shall determine the Index Level as of the relevant Index Valuation Date on that fifth Index Business Day in accordance with the formula, for and method of, calculating such Index last in effect prior to the commencement of the Market Disruption Event using the exchange-traded price on the relevant Exchange (or, if trading in the relevant security has been materially suspended or materially limited, its good faith estimate of the exchange-traded price that would have prevailed but for the suspension or limitation as of the relevant Index Valuation Date) on that fifth Index Business Day of each security comprising such Index.

[[If "Calculation Agent Adjustment" is specified in the Final Terms]

(5) *Extraordinary Event.* In the event of an Extraordinary Event the Calculation Agent shall make such adjustments to the redemption, settlement, payment or any other terms of the [Notes] [Certificates] [Bonds] as the Calculation Agent determines appropriate to account for the economic effect on the [Notes] [Certificates] [Bonds] of such Extraordinary Event upon the Calculation Agent having given not less than [5] **[specify]** [Business Days][days] notice to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12; and not less than [7]**[specify]** [Business Days][days] before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR EQUITY LINKED [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following conditions for Equity Linked [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"Basket" means a basket composed of **[insert Shares and Share Issuers]** [Shares of each Share Issuer specified in the Final Terms] in the relative proportions or numbers [specified in the Final Terms] [of **[specify proportion or number of each Share]**].

"Delisting" means that the Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union).

"Delivery Agent" means **[specify name and address of delivery agent]**.

"Disruption Cash Settlement Price" means **[specify amount]**.

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

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

"Equity Linked [Note] [Certificate] [Bond]" means a security where the payment of the redemption amount and/or interest is linked to the performance of equity securities.

"Equity Linked Redemption Amount" means an amount [, which shall never be less than the Protection Amount,] calculated by the Calculation Agent on the Equity Valuation Date at the Equity Valuation Time in accordance with the following formula: **[insert relevant formula]**.

"Equity Valuation Date" means **[insert date]**.

"Equity Valuation Time" means **[insert time and Financial Center]** on the Equity Valuation Date.

"Exchange" means each exchange or quotation system specified as such hereon for a Share, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, any Scheduled Trading Day on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions,

notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

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

["Expiration Date" means [*specify date*] and shall correspond to the [Last] Equity Valuation Date.]

"Extraordinary Dividend" means an amount per Share the characterisation of which or portion thereof as an Extraordinary Dividend shall be determined by the Calculation Agent.

"Extraordinary Event" means a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be.

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

"Market Disruption Event" means the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

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

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

["Reference Asset Amount" means an amount calculated by the Calculation Agent on the Equity Valuation Date at the Equity Valuation Time in accordance with the following formula: *[insert relevant formula].*]

"Related Exchange(s)" means each *[insert exchange or quotation system which is specified in the Final Terms]* or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to a Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).] *[[In cases where the Final Terms specify "All Exchanges" as the Related Exchange insert the following:]* each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to a Share or, in any such case, any transferee or successor exchange of such exchange or quotation system.]

"Settlement Date" means in the event of redemption of the [Notes] [Certificates] [Bonds] of a Series by delivery of the Underlying Securities, such Business Day, as agreed by the Calculation Agent, being on or as soon as practicable after the earlier of the Optional Redemption Date or the [Maturity Date] *[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date]* subject to amendment according to these Conditions.

"Settlement Disruption Event", means, in respect of a Share, an event beyond the control of the parties as a result of which the relevant Clearing System or the relevant Intermediary cannot clear the transfer of such Share.

["Share Basket Transaction" means [this issue of [Notes] [Certificates] [Bonds]] [an issue of [Notes] [Certificates] [Bonds] specified as such in the relevant Final Terms].]

"Share Issuer" means the issuer of the [relevant] Shares.

"Shares" or "Underlying Securities" means *[specify share or underlying securities].*

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions, 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 of the regular trading session hours.

"Scheduled Trading Day" means, in relation to [the][a] [relevant] Share any day on which each Exchange and each Related Exchange specified hereon are scheduled to be open for trading for their respective regular trading sessions.

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

"Trading Disruption" means 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) relating to the Share on the Exchange or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange.

"Valuation Date" means [each] [each Equity Valuation Date] *[specify date].*

"Valuation Time" means **[specify time and financial center]** on the Valuation Date [the time on the Valuation Date specified for the valuation of Shares as specified in the relevant Final Terms].

[insert other or further definitions, as the case may be, if necessary]

**Condition 4b
(Redemption [. Extraordinary Events])**

[(1) Redemption.] The [Notes] [Certificates] [Bonds] shall be redeemed [on **[insert maturity date]** (the "**Maturity Date**") at [the Equity Linked Redemption Amount] [an amount equal to the Reference Asset Amount] [either the Equity Linked Redemption Amount or at an amount equal to the Reference Asset Amount] [upon automatic exercise]. The Equity Linked Redemption Amount [or the Reference Asset Amount] in respect of each [Note] [Certificate] [Bond] shall be calculated by the Calculation Agent in accordance with the provisions hereof [and the Final Terms] and shall be notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 by the Calculation Agent immediately after being determined. [The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] **[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date].**

[[If "Cancellation and Payment" is specified in the Final Terms]

(2) Extraordinary Event. In the event of an Extraordinary Event the Issuer may redeem all, or some only, of the [Notes] [Certificates] [Bonds] then outstanding at the Early Redemption Amount [or any other amount specified in the Final Terms] together, if appropriate, with interest accrued to (but excluding) the date of redemption upon the Issuer having given not less than [5] **[specify]** [Business Days][days] notice to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12; and not less than [7] **[specify]** [Business Days][days] before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

[In case of Physical Delivery insert:]

**[Condition 4c
(Delivery of Underlying Securities)**

(1) Manner of Delivery. Delivery of Underlying Securities will be effected to or to the order of the [Noteholder] [Certificateholder] [Bondholder] and will be credited to a securities account which account forms part of the Clearing System or the relevant Intermediary to be designated by the [Noteholder] [Certificateholder] [Bondholder] on or before the Settlement Date. No [Noteholder] [Certificateholder] [Bondholder] will be entitled to receive dividends declared or paid in respect of the Underlying Securities to which such [Note] [Certificate] [Bond] gives entitlement or to any other rights relating to or arising out of such Underlying Securities if the date on which the Underlying Securities are quoted ex-dividend or ex-the relevant right falls before the date on which the Underlying Securities are credited into the securities account of the [Noteholder] [Certificateholder] [Bondholder].

(2) Compensation Amount. [Notes] [Certificates] [Bonds] to be redeemed in accordance with this condition to the same [Noteholder] [Certificateholder] [Bondholder] will be aggregated for the purpose of determining the Underlying Securities to which such [Notes] [Certificates] [Bonds] give entitlement (and, for the avoidance of doubt, in the case of a Basket per particular class of Underlying Securities comprised in that Basket). The [Noteholders] [Certificateholders] [Bondholders] will not be entitled to any interest or other payment or compensation if and to the extent that the delivery of the Underlying Securities will take place after the earlier of the

occurrence of the Optional Redemption Date or the [Maturity Date] *[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]*. The number of Underlying Securities calculated on the basis of the provisions hereof will, to the extent they form a whole number, be transferred to the [Noteholder] [Certificateholder] [Bondholder]. Entitlement to the remaining fractions of Underlying Securities will be settled by payment of those fractions in cash rounded off to two decimals, calculated by the Calculation Agent on the basis of the price of the Underlying Securities quoted on the relevant Related Exchange at the closing on the Valuation Date and, to the extent necessary, converted into Euro at the Calculation Agent's spot rate of exchange prevailing on such day (the "**Compensation Amount**").

(3) *Delivery Expenses*. All expenses including but not limited to any depository charges, levies, scrip fees, registration, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or taxes or duties (together, "**Delivery Expenses**") arising from the delivery of Underlying Securities in respect of a [Note] [Certificate] [Bond] shall be for the account of the relevant [Noteholder] [Certificateholder] [Bondholder] and no delivery and/or transfer of Underlying Securities in respect of a [Note] [Certificate] [Bond] shall be made until all Delivery Expenses have been discharged to the satisfaction of the Issuer by the relevant [Noteholder] [Certificateholder] [Bondholder].

(4) *No Obligation*. None of the Issuer and the Fiscal Agent shall be under any obligation to register or procure the registration of the relevant [Noteholder] [Certificateholder] [Bondholder] prior or after any conversion or any other person as the shareholder in any register of shareholders of any Company or otherwise.

(5) *Settlement Disruption Event*. If, in the opinion of the Delivery Agent, delivery of Underlying Securities is not practicable by reason of a Settlement Disruption Event having occurred and continuing on the Settlement Date, then the Settlement Date shall be postponed to the first following Business Day in respect of which there is no Settlement Disruption Event, and notice thereof shall be given to the relevant [Noteholder] [Certificateholder] [Bondholder] in accordance with Condition 12. Such [Noteholder] [Certificateholder] [Bondholder] shall not be entitled to any payment, whether of interest or otherwise, on such [Note] [Certificate] [Bond] in the event of any delay in the delivery of the Underlying Securities pursuant to this paragraph, and no liability in respect thereof shall attach to the Issuer. For the avoidance of doubt any such postponement shall not constitute a default by the Issuer. For so long as delivery of the Underlying Securities in respect of any [Note] [Certificate] [Bond] is not practicable by reason of a Settlement Disruption Event, then instead of physical settlement, and notwithstanding any other provision hereof or any postponement of the Settlement Date, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant [Note] [Certificate] [Bond] by payment to the relevant [Noteholder] [Certificateholder] [Bondholder] of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election is given to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4[c][d]

(Calculation Agent Adjustment. Corrections. Disrupted Days. [Extraordinary Events])

(1) *Potential Adjustment Event*. In the event of a Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will:

(a) make the corresponding adjustment(s), if any, to any one or more of the Equity Linked Redemption Amount and/or the Reference Asset Amount and/ or any of the other relevant terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share); and

(b) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by any Options Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12, stating the adjustment to the Equity Linked Redemption Amount and/or the Reference Asset Amount and/or any of the other relevant terms and giving brief details of the Potential Adjustment Event.

For the avoidance of doubt, in addition to or instead of varying any terms in accordance with the above provisions, the Calculation Agent may distribute to the holders of the outstanding relevant [Notes] [Certificates] [Bonds] additional [Notes] [Certificates] [Bonds] and/or a cash amount. Such distribution of additional [Notes] [Certificates] [Bonds] may be made on a "free" or "delivery versus payment" basis.

"Potential Adjustment Event" means any of the following:

(a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of the relevant Shares of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(c) an Extraordinary Dividend;

(d) a call by the Share Issuer in respect of relevant Shares that are not fully paid;

(e) a repurchase by the Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(f) in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

(2) *Corrections*. In the event that any price or level published on the Exchange and which is utilized for any calculation or determination made in relation to the [Notes] [Certificates] [Bonds] is subsequently corrected and the correction is published by the Exchange before the [Maturity Date] ***[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]***, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such transaction to account for such correction and will notify the [Noteholders] [Certificateholders] [Bondholders] accordingly pursuant to Condition 12.

(3) *Disrupted Days*. If the Calculation Agent in its sole and absolute discretion determines that any Equity Valuation Date is a Disrupted Day, then the Equity Valuation Date shall be the first succeeding Exchange Business Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the five Exchange Business Days immediately following the original date is a Disrupted Day. In that case and for the purpose of determining the Equity Linked Redemption Amount:

(a) that fifth Exchange Business Day shall be deemed to be the Equity Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and

(b) the Calculation Agent shall determine its good faith estimate of the value of the Shares as of the Equity Valuation Time on that fifth Exchange Business Day.

[[If "Calculation Agent Adjustment" is specified in the Final Terms]

(4) *Extraordinary Event*. In the event of an Extraordinary Event the Calculation Agent shall make such adjustments to the redemption, settlement, payment or any other terms of the [Notes] [Certificates] [Bonds] as the Calculation Agent determines appropriate to account for the economic effect on the [Notes] [Certificates] [Bonds] of such Extraordinary Event upon the Calculation Agent having given not less than [5] ***[specify [Business Days]' [days']*** notice to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12; and not less than [7] [Business Days] [days] before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR FUND LINKED [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following conditions for Fund Linked [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"Delivery Agent" means *[specify name and address of delivery agent]*.

"Disruption Cash Settlement Price" means *[specify amount]*.

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange [or any Related Exchange] fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

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

"Exchange" means each exchange or quotation system specified as such hereon for an Underlying, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Underlying has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, any Scheduled Trading Day on which each Exchange [and Related Exchange] is [are] open for trading during their respective regular trading sessions, notwithstanding any such Exchange [or Related Exchange] closing prior to its Scheduled Closing Time.

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

"Fund Linked [Note] [Certificate] [Bond]" means a security where the payment of the redemption amount and/or interest is linked to the performance of the Underlying.

"Fund Linked Redemption Amount" means an amount [, which shall never be less than the Protection Amount,] calculated [by the Calculation Agent] [on the Fund Valuation Date] [at the Fund Valuation Time] in accordance with the following formula: *[insert relevant formula]*.

"Fund Valuation Date" means *[[insert date].]* [in relation to the Fund Unit each Exchange Business Day or, as the case may be, each day on which the administrator of the Investment Fund publishes the Net Asset Value for such Investment Fund in accordance with the relevant Investment Fund's prospectus and constitutional documents.] *[insert other definition]*

"Fund Valuation Time" means *[insert time and Financial Center]* on the Fund Valuation Date.

"Market Disruption Event" means [the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.] *[insert other definition]*

"Net Asset Value" ("NAV") means [the Investment Fund's net asset value as calculated and published by the Investment Fund's administrator in accordance with the relevant Investment Fund's prospectus and constitutional documents by adding the value of all the assets of the Investment Fund and deducting the total liabilities (including, in particular but not limited to, any fees (including an advisory fee and an incentive fee) payable to the Investment Fund's advisor, the administrator, the bank and the custodian of the Investment Fund, all borrowings, brokerage fees, provisions for taxes (if any), allowances for contingent liabilities and any other costs and expenses reasonably and properly incurred to the bank or the custodian of the Investment Fund in effecting the acquisition or disposal of securities or in administering the Investment Fund) of the Investment Fund.] *[insert other definition]*

"Protection Amount" means *[insert amount]*.

"Reference Asset Amount" means an amount calculated by the Calculation Agent on the Fund Valuation Date at the Fund Valuation Time in accordance with the following formula: *[insert relevant formula].*

"Related Exchange(s)" means each *[insert exchange or quotation system which is specified in the Final Terms]* or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Underlying has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Underlying on such temporary substitute exchange or quotation system as on the original Related Exchange.) *[In cases where the Final Terms specify "All Exchanges" as the Related Exchange insert the following:]* each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Underlying or, in any such case, any transferee or successor exchange of such exchange or quotation system.]]

"Settlement Date" means in the event of redemption of the [Notes] [Certificates] [Bonds] of a Series by delivery of the Underlying, such Business Day, as agreed by the Calculation Agent, being on or as soon as practicable after the earlier of the Optional Redemption Date or the [Maturity Date] *[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date]* subject to amendment according to these Conditions.

"Settlement Disruption Event", means, in respect of the Underlying, an event beyond the control of the parties as a result of which the relevant Clearing System or the relevant intermediary cannot clear the transfer of such Underlying.

"Scheduled Closing Time" means, in respect of an Exchange [or Related Exchange] and any day on which each Exchange [and each Related Exchange] is [are] scheduled to be open for trading for its [their] respective regular trading sessions, 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 of the regular trading session hours.

"Scheduled Trading Day" means, in relation to the Underlying any day on which each Exchange [and each Related Exchange] specified hereon is [are] scheduled to be open for trading for its [their] respective regular trading sessions.

"Trading Disruption" means [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)] relating to the Underlying on the Exchange [or (ii) in futures or options

contracts relating to the Underlying on any relevant Related Exchange].] ***[insert other definition]***

"Underlying Currency" means ***[insert currency].]***

"Underlying" means [the ***[insert name of unit of the fund or exchange traded fund]*** (the **"Fund Unit"**) in the ***[insert name of fund]*** (the **"Investment Fund"**). The Underlying is expressed in the Underlying Currency. [In this context, the individual underlying values or components of the Underlying are referred to as a **"Component"** or, as the case may be, the **"Components"**.] ***[specify other definition]***

"Valuation Date" means [each] [each Fund Valuation Date] ***[specify date]***.

"Valuation Time" means ***[[specify time and financial center]*** on the Valuation Date] [the time on the Valuation Date specified for the valuation of the Underlying as specified in the relevant Final Terms].

[insert other or further definitions or delete definitions, as the case may be, if necessary]

**Condition 4b
(Redemption)**

Redemption. The [Notes] [Certificates] [Bonds] shall be redeemed [on ***insert maturity date***] (the "**Maturity Date**") at [the Fund Linked Redemption Amount] [an amount equal to the Reference Asset Amount] [either the Fund Linked Redemption Amount or at an amount equal to the Reference Asset Amount] [upon automatic exercise]. The Fund Linked Redemption Amount [or the Reference Asset Amount] in respect of each [Note] [Certificate] [Bond] shall be calculated by the Calculation Agent in accordance with the provisions hereof [and the Final Terms] and shall be notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 by the Calculation Agent immediately after being determined. [The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] ***insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date***].

insert other or further provisions or definitions if required; delete sub-paragraphs, if required

[In case of Physical Delivery insert:]

**[Condition 4c
(Delivery of the Underlyings)**

(1) *Manner of Delivery.* Delivery of the Underlyings will be effected to or to the order of the [Noteholder] [Certificateholder] [Bondholder] and will be credited to a securities account which account forms part of the Clearing System or the relevant intermediary to be designated by the [Noteholder] [Certificateholder] [Bondholder] on or before the Settlement Date. No [Noteholder] [Certificateholder] [Bondholder] will be entitled to receive dividends declared or paid in respect of the Underlying to which such [Note] [Certificate] [Bond] gives entitlement or to any other rights relating to or arising out of such Underlying if the date on which the Underlying is quoted ex-dividend or ex-the relevant right falls before the date on which the Underlying is credited into the securities account of the [Noteholder] [Certificateholder] [Bondholder].

(2) *Compensation Amount.* [Notes] [Certificates] [Bonds] to be redeemed in accordance with this condition to the same [Noteholder] [Certificateholder] [Bondholder] will be aggregated for the purpose of determining the Underlying to which such [Notes] [Certificates] [Bonds] give entitlement. The [Noteholders] [Certificateholders] [Bondholders] will not be entitled to any interest or other payment or compensation if and to the extent that the delivery of the Underlying will take place after the earlier of the occurrence of the Optional Redemption Date or the [Maturity Date] ***insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date***]. The number of units of the Underlying calculated on the basis of the provisions hereof will, to the extent they form a whole number, be transferred to the [Noteholder] [Certificateholder] [Bondholder]. Entitlement to the remaining fractions of the Underlying will be settled by payment of those fractions in cash rounded off to two decimals, calculated by the Calculation Agent on the basis of the price of the Underlying quoted on the relevant [Related] Exchange at the closing on the Valuation Date and, to the extent necessary, converted into Euro at the Calculation Agent's spot rate of exchange prevailing on such day [(the "**Compensation Amount**")].

(3) *Delivery Expenses.* All expenses including but not limited to any depository charges, levies, scrip fees, registration, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or taxes or duties (together, "**Delivery Expenses**") arising from the delivery of the Underlyings in respect of a [Note] [Certificate] [Bond] shall be for the account of the relevant [Noteholder] [Certificateholder] [Bondholder] and no delivery and/or transfer of the Underlyings in respect of a [Note] [Certificate] [Bond] shall be made until all Delivery Expenses have been discharged to the satisfaction of the Issuer by the relevant [Noteholder] [Certificateholder] [Bondholder].

(4) *Settlement Disruption Event.* If, in the opinion of the Delivery Agent, delivery of the Underlyings is not practicable by reason of a Settlement Disruption Event having occurred and continuing on the Settlement Date, then the Settlement Date shall be postponed to the first following Business Day in respect of which there is no Settlement Disruption Event, and notice thereof shall be given to the relevant [Noteholder] [Certificateholder] [Bondholder] in accordance with Condition 12. Such [Noteholder] [Certificateholder] [Bondholder] shall not be entitled to any payment, whether of interest or otherwise, on such [Note] [Certificate] [Bond] in the event of any delay in the delivery of the Underlyings pursuant to this paragraph, and no liability in respect thereof shall attach to the Issuer. For the avoidance of doubt any such postponement shall not constitute a default by the Issuer. For so long as delivery of the Underlyings in respect of any [Note] [Certificate] [Bond] is not practicable by reason of a Settlement Disruption Event, then instead of physical settlement, and notwithstanding any other provision hereof or any postponement of the Settlement Date, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant [Note] [Certificate] [Bond] by payment to the relevant [Noteholder] [Certificateholder] [Bondholder] of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election is given to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**Condition 4[c][d]
(Calculation Agent Adjustment. Corrections. Disrupted Days.)**

(1) *Calculation Agent Adjustment.* In the event of a Replacement Event (as defined below) the Calculation Agent may, if it determines at its sole discretion that such event is material and adversely affects the [Underlying [or the calculation of the NAV of the Fund Unit used as the Underlying] [Investment Fund [or the calculation of the NAV of the Investment Fund],

(a) select an alternative investment fund, which the Calculation Agent determines at its sole discretion to have a similar strategy and liquidity [(the "**Successor Underlying**") [(the "**Successor Investment Fund**")]; and/or

(b) make any adjustments to any calculation methods, values or terms in respect of the [Notes] [Certificates] [Bonds] it determines at its sole discretion to be necessary to account for such Replacement Event.

[Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12, stating the adjustments and giving brief details of the Replacement Event.]

[For the avoidance of doubt, in addition to or instead of varying any terms in accordance with the above provisions, the Calculation Agent may distribute to the holders of the outstanding relevant [Notes] [Certificates] [Bonds] additional [Notes] [Certificates] [Bonds] and/or a cash amount. Such distribution of additional [Notes] [Certificates] [Bonds] may be made on a "free" or "delivery versus payment" basis.]

"Replacement Event" means [any of the following:

(a) The investment strategy or investment objective of [the Investment Fund] [the Underlying] [*insert other*] (the "**Strategy**") differs substantially from the strategy at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, or from the strategy outlined in the prospectus or other documents prepared in connection with the

marketing of [the Investment Fund] [the Underlying] [*insert other*] (together the "Documents") or from the rules in relation to [the Investment Fund] [the Underlying] [*insert other*].

(b) The frequency at which the Underlying can be traded (the "**Trading Frequency**") is changed and now differs from the Trading Frequency at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, or from the Trading Frequency outlined in the Documents or from the rules in relation to [the Investment Fund] [the Underlying] [*insert other*].

(c) The currency denomination in which the NAV of [the Investment Fund] [the Underlying] [*insert other*] is published (the "**Currency Denomination**") is changed and now differs from the Currency Denomination at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, or from the Currency Denomination outlined in the Documents or from the rules in relation to [the Investment Fund] [the Underlying] [*insert other*].

(d) In respect of the NAV (or any preliminary or estimated NAV) the frequency of publication or the time delay between calculation and publication or the calculation method (the "**NAV Frequency**") is changed and now differs from the NAV Frequency at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, or from the NAV Frequency outlined in the Documents or from the rules in relation to [the Investment Fund] [the Underlying] [*insert other*].

(e) [The Investment Fund] [The Underlying] [*insert other*] introduces or increases charges or fees payable out of the assets of [the Investment Fund] [the Underlying] [*insert other*] or charges a subscription fee or redemption fee.

(f) The operation or organisation of [the Investment Fund] [the Underlying] [*insert other*] (including, without limitation, structure, procedures or policies) or the application of such procedures or policies has changed from that at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be.

(g) The regulatory or tax treatment applicable with respect to [the Investment Fund] [the Underlying] [*insert other*] is changed.

(h) The restriction by law or regulatory measures of the holding of units or shares of [the Investment Fund] [the Underlying] [*insert other*], its sub-funds and/or its share classes, if any, that may be held by an investor in [the Investment Fund] [the Underlying] [*insert other*].

(i) Any suspension of or limitation imposed on the Underlying (by reason of liquidity restrictions or otherwise) other than those existing on the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, as laid out in the rules in relation to [the Investment Fund] [the Underlying] [*insert other*].

(j) [The Investment Fund] [The Underlying] [*insert other*] requires a redemption of units or shares from one or several investors in [the Investment Fund] [the Underlying] [*insert other*].

(k) It is expected that upon redemption of units or shares any investor in [the Investment Fund] [the Underlying] [*insert other*] does not receive the full proceeds (redemption value) within the regular period for redemption payments applicable under normal market conditions set out in the Documents.

(l) [The Investment Fund] [The Underlying] [*insert other*] or its investment manager is or becomes subject to liquidation, dissolution, discontinuance or execution or the investment manager indicates that the Strategy will not be met or proposes, recommends or initiates the liquidation, dissolution or discontinuance of [the Investment Fund] [the Underlying] [*insert other*].

(m) [The Investment Fund] [The Underlying] [*insert other*] or its investment manager or any of their employees are placed under review or investigation by any regulatory or other authority or are subject to any charges or prosecution.

- (n) [The Investment Fund] [The Underlying] **[insert other]** or its investment manager becomes party to any litigation or dispute.
- (o) [The Investment Fund's] [the Underlying's] **[insert other]** administrator fails to calculate or publish the NAV as scheduled or fails to publish any other information relating to [the Investment Fund] [the Underlying] **[insert other]** to be published in accordance with its rules or the Documents.
- (p) The audited NAV differs from the published NAV, or the auditors of [the Investment Fund] [the Underlying] **[insert other]** qualify any audit report or refuse to provide an unqualified audit report in respect of [the Investment Fund] [the Underlying] **[insert other]** or the NAV.

(q) The investment manager of [the Investment Fund] [the Underlying] **[insert other]** fails to react in an appropriate and timely manner to any breach of representations, covenants and agreements under the investment management agreement relating to [the Investment Fund] [the Underlying] **[insert other]**.

(r) Resignation, termination, loss of registration or any other change in respect of the investment manager of [the Investment Fund] [the Underlying] **[insert other]** or any change in the personnel of the investment manager or in the service providers to [the Investment Fund] [the Underlying] **[insert other]**.

(s) An investor's holding of units or shares of [the Investment Fund] [the Underlying] **[insert other]**, its sub-funds and/or its share classes, if any, exceeds 20 per cent. of [the Investment Fund] [the Underlying] **[insert other]**, its sub-funds and/or its share classes.

[(t) *insert any other event that may have a diluting or concentrative effect on the theoretical value of the Underlying*] **[insert other definition].]**

Any reference in these Conditions to [the Underlying] [Investment Fund] shall, to the extent appropriate, be deemed to refer to the [Successor Underlying] [Successor Investment Fund] .

(2) *Corrections.* In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made in relation to the [Notes] [Certificates] [Bonds] is subsequently corrected and the correction is published by the Exchange before the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such transaction to account for such correction and will notify the [Noteholders] [Certificateholders] [Bondholders] accordingly pursuant to Condition 12.

(3) *Disrupted Days.* If the Calculation Agent in its sole and absolute discretion determines that any Fund Valuation Date is a Disrupted Day, then the Fund Valuation Date shall be the first succeeding Exchange Business Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the [eight] Exchange Business Days immediately following the original date is a Disrupted Day. In that case and for the purpose of determining the Fund Linked Redemption Amount:

(a) that [eights] Exchange Business Day shall be deemed to be the Fund Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and

(b) the Calculation Agent shall determine its good faith estimate of the value of the Underlying as of the Fund Valuation Time on that [eights] Exchange Business Day.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR BOND LINKED [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following conditions for Bond Linked [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"Basket" means a basket composed of [*insert Bonds and Bond Issuers*] [Bonds of each Bond Issuer specified in the Final Terms] in the relative proportions or numbers [specified in the Final Terms] [of [*specify proportion or number of each Bond*]].]

"Bonds" or "Underlying Securities" means [*specify bond(s) or underlying securities*].

"Bond Basket Transaction" means [this issue of [Notes] [Certificates] [Bonds]] [an issue of [Notes] [Certificates] [Bonds] specified as such in the relevant Final Terms].]

"Bond Issuer" means the issuer of the [relevant] Bonds.

"Bond Linked [Note] [Certificate] [Bond]" means a security where the payment of the redemption amount and/or interest is linked to the performance of bonds.

"Bond Linked Redemption Amount" means an amount [, which shall never be less than the Protection Amount,] calculated by the Calculation Agent on the Bond Valuation Date at the Bond Valuation Time in accordance with the following formula: [*insert relevant formula*].

"Bond Valuation Date" means [*insert date*].

"Bond Valuation Time" means [*insert time and Financial Center*] on the Bond Valuation Date.

"Delisting" means that the Exchange announces that pursuant to the rules of such Exchange, the Bonds cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union).]

"Delivery Agent" means [*specify name and address of delivery agent*].

"Disruption Cash Settlement Price" means [*specify amount*].

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

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

"Exchange" means each exchange or quotation system specified as such hereon for the [relevant] Bonds, any successor to such exchange or quotation system or any substitute

exchange or quotation system to which trading in such Bonds has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Bonds on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, any Scheduled Trading Day on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

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

["Expiration Date" means [*specify date*] and shall correspond to the [Last] Bond Valuation Date.]

"Extraordinary Event" means a [Merger Event,] [Tender Offer,] [Insolvency] or [Delisting] [*insert other event*], as the case may be.

["Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Bond Issuer, (A) the relevant Bonds of that Bond Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Bonds of that Bond Issuer become legally prohibited from transferring them.]

"Market Disruption Event" means the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

["Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.]

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

"Reference Asset Amount" means an amount calculated by the Calculation Agent on the Bond Valuation Date at the Bond Valuation Time in accordance with the following formula: [*insert relevant formula*].

"Related Exchange(s)" means each **[[insert exchange or quotation system which is specified in the Final Terms]** or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the [relevant] Bonds has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Bonds on such temporary substitute exchange or quotation system as on the original Related Exchange).] **[[In cases where the Final Terms specify "All Exchanges" as the Related Exchange insert the following:]]** each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the [relevant] Bonds or, in any such case, any transferee or successor exchange of such exchange or quotation system.]

"Settlement Date" means in the event of redemption of the [Notes] [Certificates] [Bonds] of a Series by delivery of the Underlying Securities, such Business Day, as agreed by the Calculation Agent, being on or as soon as practicable after the earlier of the Optional Redemption Date or the [Maturity Date] **[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date]** subject to amendment according to these Conditions.

"Settlement Disruption Event", means, in respect of the [relevant] Bonds, an event beyond the control of the parties as a result of which the relevant Clearing System or the relevant Intermediary cannot clear the transfer of such Bonds.

"Scheduled Closing Time" means, in respect of an Exchange or Related Exchange and any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions, 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 of the regular trading session hours.

"Scheduled Trading Day" means, in relation to the [relevant] Bonds any day on which each Exchange and each Related Exchange specified hereon are scheduled to be open for trading for their respective regular trading sessions.

"Tender Offer" means a tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding Bonds, as determined by the Calculation Agent.]

"Trading Disruption" means 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) relating to the Bonds on the Exchange or (ii) in futures or options contracts relating to the Bonds on any relevant Related Exchange.

"Valuation Date" means [each] [each Bond Valuation Date] **[specify date]**.

"Valuation Time" means **[[specify time and financial center]** on the Valuation Date] [the time on the Valuation Date specified for the valuation of Bonds as specified in the relevant Final Terms].

[insert other or further definitions, as the case may be, if necessary]

Condition 4b
(Redemption [. Extraordinary Events])

[(1) *Redemption.*] **[[insert in case of [Notes] [Certificates] [Bonds] with a fixed maturity date.]** The [Notes] [Certificates] [Bonds] shall be redeemed [on **[insert maturity date]** (the "**Maturity Date**") at [the Bond Linked Redemption Amount] [an amount equal to the Reference Asset Amount] [either the Bond Linked Redemption Amount or at an amount equal to the Reference Asset Amount] [upon automatic exercise]; as determined by the Calculation Agent at the Bond Valuation Time in accordance with the following formula: **[insert formula]**]. The Bond Linked Redemption Amount [or the Reference Asset Amount] in respect of each [Note] [Certificate] [Bond] shall be calculated by the Calculation Agent in accordance with the provisions hereof [and the Final Terms] and shall be notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 by the Calculation Agent immediately after being determined.] **[[insert in case of [Notes] [Certificates] [Bonds] without a fixed maturity date]**The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] **[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date].]**

[[If "Cancellation and Payment" is specified in the Final Terms]

(2) *Extraordinary Event.* In the event of an Extraordinary Event the Issuer may redeem all, or some only, of the [Notes] [Certificates] [Bonds] then outstanding at the Early Redemption Amount [or any other amount specified in the Final Terms] together, if appropriate, with interest accrued to (but excluding) the date of redemption upon the Issuer having given not less than [5] **[specify]** [Business Days][days] notice to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12; and not less than [7] **[specify]** [Business Days][days] before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4c
(Delivery of Underlying Securities)

(1) *Manner of Delivery.* Delivery of Underlying Securities will be effected to or to the order of the [Noteholder] [Certificateholder] [Bondholder] and will be credited to a securities account which account forms part of the Clearing System or the relevant Intermediary to be designated by the [Noteholder] [Certificateholder] [Bondholder] on or before the Settlement Date.

(2) *Compensation Amount.* [Notes] [Certificates] [Bonds] to be redeemed in accordance with this condition to the same [Noteholder] [Certificateholder] [Bondholder] will be aggregated for the purpose of determining the Underlying Securities to which such [Notes] [Certificates] [Bonds] give entitlement (and, for the avoidance of doubt, in the case of a Basket per particular class of Underlying Securities comprised in that Basket). The [Noteholders] [Certificateholders] [Bondholders] will not be entitled to any interest or other payment or compensation if and to the extent that the delivery of the Underlying Securities will take place after the earlier of the occurrence of the Optional Redemption Date or the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**. The number of Underlying Securities calculated on the basis of the provisions hereof will, to the extent they form a whole number, be transferred to the [Noteholder] [Certificateholder] [Bondholder]. Entitlement to the remaining fractions of Underlying Securities will be settled by payment of those fractions in cash rounded off to two decimals, calculated by the Calculation Agent on the basis of the price of the Underlying Securities quoted on the relevant Related Exchange at the closing on the Valuation Date and, to the extent necessary, converted into Euro at the Calculation Agent's spot rate of exchange prevailing on such day (the "**Compensation Amount**").

(3) *Delivery Expenses.* All expenses including but not limited to any depository charges, levies, scrip fees, registration, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or taxes or duties (together, "**Delivery Expenses**") arising from the delivery of Underlying Securities in respect of a [Note] [Certificate] [Bond] shall be for the account of the relevant [Noteholder] [Certificateholder] [Bondholder] and no delivery and/or transfer of Underlying Securities in respect of a [Note] [Certificate] [Bond] shall be made until all Delivery Expenses have been discharged to the satisfaction of the Issuer by the relevant [Noteholder] [Certificateholder] [Bondholder].

[(4)] *No Obligation.* None of the Issuer and the Fiscal Agent shall be under any obligation to register or procure the registration of the relevant [Noteholder] [Certificateholder] [Bondholder] prior or after any conversion or any other person as the holder in any register of bondholders or otherwise.]

[(4)][(5)] *Settlement Disruption Event.* If, in the opinion of the Delivery Agent, delivery of Underlying Securities is not practicable by reason of a Settlement Disruption Event having occurred and continuing on the Settlement Date, then the Settlement Date shall be postponed to the first following Business Day in respect of which there is no Settlement Disruption Event, and notice thereof shall be given to the relevant [Noteholder] [Certificateholder] [Bondholder] in accordance with Condition 12. Such [Noteholder] [Certificateholder] [Bondholder] shall not be entitled to any payment, whether of interest or otherwise, on such [Note] [Certificate] [Bond] in the event of any delay in the delivery of the Underlying Securities pursuant to this paragraph, and no liability in respect thereof shall attach to the Issuer. For the avoidance of doubt any such postponement shall not constitute a default by the Issuer. For so long as delivery of the Underlying Securities in respect of any [Note] [Certificate] [Bond] is not practicable by reason of a Settlement Disruption Event, then instead of physical settlement, and notwithstanding any other provision hereof or any postponement of the Settlement Date, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant [Note] [Certificate] [Bond] by payment to the relevant [Noteholder] [Certificateholder] [Bondholder] of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election is given to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4d
(Calculation Agent Adjustment. Corrections. Disrupted Days)

(1) *Potential Adjustment Event.* In the event of a Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Bonds and, if so, will:

(a) make the corresponding adjustment(s), if any, to any one or more of the Bond Linked Redemption Amount and/or the Reference Asset Amount and/or any of the other relevant terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility or liquidity relative to the relevant Bonds); and

(b) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference

to the adjustment(s) in respect of such Potential Adjustment Event made by any Options Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12, stating the adjustment to the Bond Linked Redemption Amount and/or the Reference Asset Amount and/or any of the other relevant terms and giving brief details of the Potential Adjustment Event.

For the avoidance of doubt, in addition to or instead of varying any terms in accordance with the above provisions, the Calculation Agent may distribute to the holders of the outstanding relevant [Notes] [Certificates] [Bonds] additional [Notes] [Certificates] [Bonds] and/or a cash amount. Such distribution of additional [Notes] [Certificates] [Bonds] may be made on a "free" or "delivery versus payment" basis.

"Potential Adjustment Event" means any of the following:

- (a) [a subdivision, consolidation or reclassification of the [relevant] Bonds;]
- (b) [a change to the terms and conditions of the [relevant] Bonds (whether by a vote of holders, trustee or otherwise) which has a material impact on the value of the [relevant] Bonds, as determined by the Calculation Agent;]
- (c) [a distribution or issue to existing holders of the relevant Bonds or any type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;]
- (d) [a repurchase by the Bond Issuer or any of its subsidiaries of relevant Bonds whether the consideration for such repurchase is cash, securities or otherwise;]
- (e) [*insert other relevant event(s)*]; or
- (f) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Bonds.

(2) *Corrections*. In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made in relation to the [Notes] [Certificates] [Bonds] is subsequently corrected and the correction is published by the Exchange before the [Maturity Date] [*insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date*], the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such transaction to account for such correction and will notify the [Noteholders] [Certificateholders] [Bondholders] accordingly pursuant to Condition 12.

(3) *Disrupted Days*. If the Calculation Agent in its sole and absolute discretion determines that any Bond Valuation Date is a Disrupted Day, then the Bond Valuation Date shall be the first succeeding Exchange Business Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the five Exchange Business Days immediately following the original date is a Disrupted Day. In that case and for the purpose of determining the Bond Linked Redemption Amount:

- (a) that fifth Exchange Business Day shall be deemed to be the Bond Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine its good faith estimate of the value of the Bonds as of the Bond Valuation Time on that fifth Exchange Business Day.

[[If "Calculation Agent Adjustment" is specified in the Final Terms]

(4) *Extraordinary Event.* In the event of an Extraordinary Event the Calculation Agent shall make such adjustments to the redemption, settlement, payment or any other terms of the [Notes] [Certificates] [Bonds] as the Calculation Agent determines appropriate to account for the economic effect on the [Notes] [Certificates] [Bonds] of such Extraordinary Event upon the Calculation Agent having given not less than [5] **[specify]** Business Days' notice to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12; and not less than 7 Business Days before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR COMMODITY LINKED [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following Supplemental Terms and Conditions for Commodity Linked [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"Basket" means a basket composed of **[insert commodities]** [each commodity specified in the Final Terms] in the relative proportions of **[specify proportion of each Commodity].**

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

"Commodity Linked [Note] [Certificate] [Bond]" means a [Note] [Certificate] [Bond], payments in respect of which will be calculated by reference to the price of a Notional Quantity of the Relevant Commodity for delivery on the Delivery Date, each as specified in the applicable Final Terms.

"Commodity Linked Redemption Amount" means an amount calculated by the Calculation Agent on the Commodity Valuation Date at the Commodity Valuation Time in accordance with the following formula: **[insert relevant formula]** and which shall always be equal to or greater than zero and, in the event that such amount will be less than zero, shall be deemed to be zero [if so specified in the Final Terms].

"Commodity Reference Asset Amount" means an amount calculated by the Calculation Agent on the Commodity Valuation Date at the Commodity Valuation Time in accordance with the following formula: **[insert relevant formula]**.

"Commodity Reference Price" means **[specify]** [the commodity reference price specified in the applicable Final Terms [which is determined as **[specify price]]].**

"Commodity Valuation Date" means **[insert date]**.

"Commodity Valuation Time" means **[insert time and Financial Center]** on the Commodity Valuation Date.

"Delivery Date" means **[specify whether the Commodity Reference Price will be based on a certain delivery date or month (e.g. the spot market, the "First Nearby Month", the "Second Nearby Month" etc. or some other methodology)].**

"Disappearance of Commodity Reference Price" means (i) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange; (ii) the disappearance of, or of trading in, the Relevant Commodity; or (iii) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Relevant Commodity.

"Exchange" means each exchange or quotation system specified as such for the Commodity, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Relevant Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Relevant Commodity on such temporary substitute exchange or quotation system as on the original Exchange).

["Expiration Date" means *[insert date]* and shall correspond to the [Final] Valuation Date.]

"Futures Contract" means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Relevant Commodity referred to in that Commodity Reference Price.

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

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

"Nearby Month", when preceded by a numerical adjective, means, in respect of a Delivery Date and a Pricing Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (A) **"First Nearby Month"** means the month of expiration of the first Futures Contract to expire following that Pricing Date; and (B) **"Second Nearby Month"** means the month of expiration of the second Futures Contract to expire following that Pricing Date.

["Noteholder's Notice"] ["Certificateholder's Notice"] ["Bondholder's"] means a notice substantially in the forms set out in the Agency Agreement (copies of which may be obtained from the specified offices of the Fiscal Agent) which, inter alia, contains the relevant U.S. commodities restrictions certifications specified in the relevant Final Terms and specifies the relevant [Noteholder's] [Certificateholder's] [Bondholder's] Cash Account and Securities Account.]

"Price Source" means the screen, publication or other origin of reference [specified in the applicable Final Terms] [such as the relevant Exchange containing the Commodity Reference Price].

"Price Source Disruption" means (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the Relevant Commodity Reference Price or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

"Pricing Date" means *[specify date]* [the date specified in the applicable Final Terms].

"Relevant Commodity" means *[specify relevant commodity]* [the commodity specified in the applicable Final Terms].

"Specified Price" means [the high price] [the low price] [the average of the high price and the low price] [the closing price] [the opening price] [the bid price] [the ask price] [the average of the bid price and the ask price] [the settlement price] [the official settlement price] [the official price] [the morning fixing] [the afternoon fixing] [the spot price] *[specify other price]*.

"Trading Disruption" means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Relevant Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange. For these purposes:

(A) a suspension of the trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if:

- (i) all trading in the Futures Contract or the Relevant Commodity is suspended for the entire Pricing Date; or
- (ii) all trading in the Futures Contract or the Relevant Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Relevant Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

(B) a limitation of trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper or lower limit of that range.

"**Valuation Date**" means [each] [*specify date*].

"**Valuation Time**" means [[*specify time and financial center*] on the Valuation Date]].

[*insert other or further definitions, as the case may be, if necessary*]

Condition 4b

(Redemption. [Delivery of Relevant Commodity] [.Extraordinary Events])

(1) *Redemption.* The [Notes] [Certificates] [Bonds] shall be redeemed [on [*insert maturity date*] (the "**Maturity Date**") at [the Commodity Linked Redemption Amount] [the Commodity Reference Asset Amount] [either the Commodity Linked Redemption Amount or the Commodity Reference Asset Amount] [upon automatic exercise]; as determined by the Calculation Agent at the Commodity Valuation Time in accordance with the following formula: [*insert formula*]]. The Commodity Linked Redemption Amount [or the Commodity Reference Asset Amount] in respect of each [Note] [Certificate] [Bond] shall be calculated by the Calculation Agent in accordance with the provisions hereof [and the Final Terms] and shall be notified to the [Noteholders] [Certificateholders] [Bondholder] in accordance with Condition 12 by the Calculation Agent immediately after being determined. [The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] [*insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date*].

[If the Final Terms specify that U.S. Commodities Restriction Type 1 or Type 2 apply insert the following provisions:]

[(2) *U.S. Certification requirements.* (i) In case of Type 1 U.S. Commodities Restrictions, the [Noteholders] [Certificateholders] [Bondholders] must certify in a [Noteholder's] [Certificateholder's] [Bondholder's] Notice substantially in the following form (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the [Noteholder] [Certificateholder] [Bondholder] to equivalent effect) in connection with a redemption:

"(a) Neither the person holding the [Notes] [Certificates] [Bonds] referred to in this redemption notice, nor any person on whose behalf the [Notes] [Certificates] [Bonds] are being held when redeemed, is a U.S. person or a person within the United States (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended) or (b) the person redeeming the [Notes] [Certificates] [Bonds], and each person on whose behalf the [Notes] [Certificates] [Bonds] are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act).

We understand that this notice is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

or, (ii) in case of Type 2 U.S. Commodities Restrictions, the [Noteholder] [Certificateholder] must [Bondholder] certify in a [Notesholder's] [Certificateholder's] [Bondholder] Notice substantially in the following form (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the [Noteholder] [Certificateholder] [Bondholder] to equivalent effect) in connection with a redemption:

"Neither the person holding the [Notes] [Certificates] [Bonds] referred to in this redemption notice, nor any person on whose behalf the [Notes] [Certificates] [Bonds] are being held when redeemed, is a U.S. person or a person within the United States (as such terms are defined in Regulation S under the U.S. Securities Act of 1933, as amended).

We understand that this notice is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this notice is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

([3]) *Delivery of Relevant Commodity.* The [Notes] [Certificates] [Bonds] do not give the [Noteholder] [Certificateholder] [Bondholder] any right to acquire any of the Relevant Commodity or any other commodities, and the Issuer is not obliged to purchase, hold or deliver any of the Relevant Commodity or any other commodities.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**Condition 4c
(Corrections. Disrupted Days[. Common Pricing])**

(1) *Corrections.* In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made in relation to the [Notes] [Certificates] [Bonds] is subsequently corrected and the correction is published by the Exchange before the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**, the Calculation Agent will determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust the terms of such transaction to account for such correction and will notify the [Noteholders] [Certificateholders] [Bondholders] accordingly pursuant to Condition 12.

(2) *Disrupted Days.* If, in the opinion of the Calculation Agent, a Commodity Market Disruption Event (as defined below) has occurred and is continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Price for that Pricing Date will be determined by the Calculation Agent in accordance with the first applicable Disruption Fallback (as defined below) that provides a Relevant Price. All determinations made by the Calculation Agent pursuant to these conditions will be conclusive and binding on the [Noteholders] [Certificateholders] [Bondholders] and the Issuer except in the case of manifest error.

"Commodity Market Disruption Event" means the occurrence of any of the following events:

- (i) Price Source Disruption;
- (ii) Trading Disruption;
- (iii) Disappearance of Commodity Reference Price;
- (iv) Material Change in Formula;
- (v) Material Change in Content; and
- (vi) any additional Commodity Market Disruption Events specified in the applicable Final Terms.

If the Calculation Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity within the Basket of Commodities (the **"Affected Commodity"**), the Relevant Price of any Relevant Commodity within the Basket of Commodities which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides the Relevant Price for the Affected Commodity.

"Disruption Fallback" means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Commodity Market Disruption Event occurs or exists on a day that is a Pricing Date. A Disruption Fallback means (in the following order):

- (i) Fallback Reference Price
- (ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Reference Price only if Delayed Publication or Announcement does not yield a Relevant Price within these two consecutive Commodity Business Days); and
- (iii) determination by the Calculation Agent in its sole discretion.

"Fallback Reference Price" means that the Calculation Agent will determine the Relevant Commodity Price based on the price for that Pricing Date of the first alternate Commodity Reference Price [**specify first alternate Commodity Reference Price**] [, if any, specified in the applicable Final Terms] and not subject to a Commodity Market Disruption Event.

"Delayed Publication or Announcement" means that the Relevant Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) or the Relevant Price continues to be unavailable for five consecutive Commodity Business Days. In that case, the next Disruption Fallback will apply. If, as a result of a delay pursuant to this provision, a Relevant Price is unavailable to determine any amount payable on any payment date or settlement date, that payment date or settlement date will be delayed to the same

extent as was the determination of the Relevant Price and, if a corresponding amount would otherwise have been payable in respect of the [Notes] [Certificates] [Bonds] on the same date that the delayed amount would have been payable but for the delay, the payment date or settlement date for that corresponding amount will be delayed to the same extent.

"Postponement" that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist for five consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date). In that case, the next Disruption Fallback will apply. If, as a result of a postponement pursuant to this provision, a Relevant Price is unavailable to determine any amount payable on any payment date or settlement date, that payment date or settlement date will be postponed to the same extent as was the determination of the Relevant Price and, if a corresponding amount would otherwise have been payable in respect of the [Notes] [Certificates] [Bonds] on the same date that the postponed amount would have been payable but for the postponement, the payment date or settlement date for that corresponding amount will be postponed to the same extent.

[Insert in case of a Basket of Commodities]

[(3) *Common Pricing.*

[If the Final Terms specify that Common Pricing is applicable insert:]

["Common Pricing" means that, no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined on the Trade Date of the [Notes] [Certificates] [Bonds] as of the time of issue of the [Note] [Certificate] [Bond].]

[If the Final Terms specify that Common Pricing is not applicable insert:]

[The Calculation Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity in the basket (the "**Affected Commodity**"), the Relevant Commodity Price of each Relevant Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Commodity Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Reference Price.]

All determinations made by the Calculation Agent pursuant to this Condition will be conclusive and binding on the [Noteholders] [Certificateholders] [Bondholder] and the Issuer except in the case of manifest error.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR CURRENCY LINKED [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following conditions for Currency Linked [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"Averaging Date" means, **[specify date]** [the date specified in the applicable Final Terms] or if such day is not a Scheduled Trading Day, the next following Scheduled Trading Day).

"Currency Linked Redemption Amount" means **[insert amount specified in the Final Terms]** [an amount determined in accordance with the following formula: **[insert formula]**].

"Currency Valuation Date" means, **[specify date]** [the date specified in the applicable Final Terms]. (or, if such date is not an Exchange Business Day the next following Business Day) unless there is a Disrupted Day in respect of any relevant currency on that day in which event Condition 4c(4) will apply and provided that such date is at least [two] **[insert other number]** Business Days [days] prior to the [Maturity Date] (other than where the [Notes] [Certificates] [Bonds] are redeemed early in which case it will be the second Business Day preceding the Early Redemption Date).

"Disrupted Day" means in respect of a Relevant Currency any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"Disruption Redemption Amount" means the Redemption Amount or Early Redemption Amount (as the case may be), calculated by the Calculation Agent in its absolute discretion following the occurrence of a Disruption Event taking into consideration all available information that it deems relevant less the cost to the Issuer of unwinding any underlying related hedging arrangements.

"Dual Exchange Rate" means with respect to any Exchange Rate, that the Exchange Rate splits into dual or multiple currency exchange rates.

"Exchange Business Day" means, any Scheduled Trading Day on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Rate Time" means the time or times on the relevant Pricing Date at which the relevant exchange rate will be taken for conversion into the currency in which any Redemption Amount or Early Redemption Amount, as the case may be, in respect of an issue of [Notes] [Certificates] [Bonds] is to be paid.

"Exchange Rate" means the rate of exchange of the currency of **[specify country]** [one country] for the currency of **[specify country]** [another country, as specified in the applicable Final Terms].

"Exchange" means in respect of a Relevant Currency, each exchange or quotation system specified as such hereon for such currency, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such currency has temporarily relocated (provided that the Calculation Agent has determined that

there is comparable liquidity relative to such currency on such temporary substitute exchange or quotation system as on the original Exchange).

"Expiration Date" means *[insert date]* and shall correspond to the [Last] Currency Valuation Date.]

"Governmental Authority" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial market (including the central bank) of the countries for which the Relevant Currencies are the lawful currencies.

"Illiquidity Disruption" means in relation to an Exchange Rate the occurrence of an event whereby it becomes impossible to obtain a firm quote of the Settlement Rate for an amount to be determined by the Calculation Agent on the Currency Valuation Date (or, if different, the day on which rates for that Currency Valuation Date would, in the ordinary course, be published or announced by the relevant price source).

"Price Source Disruption", means in relation to an Exchange Rate in respect of a Currency Linked [Note][Certificate] [Bond], it becomes impossible to obtain the Settlement Rate on the Currency Valuation Date (or, if different, the day on which rates for that Currency Valuation Date would, in the ordinary course, be published or announced by the relevant price source).

"Pricing Date" means *[specify date]* [the date specified in the applicable Final Terms].

"Rate Calculation Date" means the Currency Valuation Date or the Averaging Date, as appropriate.

"Related Exchange(s)" means *[[insert exchange or quotation system which is specified in the Final Terms]* or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such currency has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such currency on such temporary substitute exchange or quotation system as on the original Related Exchange).] *[In cases where the Final Terms specify "All Exchanges" as the Related Exchange insert the following:* each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such currency or, in any such case, any transferee or successor exchange of such exchange or quotation system.]

"Relevant Currencies" means *[specify currencies]* [those currencies specified in the relevant Final Terms] which comprise each Exchange Rate.

"Scheduled Trading Day" means in respect of a Relevant Currency, any day on which each Exchange and each Related Exchange specified hereon are scheduled to be open for trading for their respective regular trading sessions.

"Settlement Rate" means, in relation to an Exchange Rate, for any Currency Valuation Date in respect of a [Maturity Date] or an Early Redemption Date (as the case may be) the currency exchange rate equal to (i) the Settlement Rate specified or otherwise determined as provide in the related Final Terms or, (ii) if a Settlement Rate or a means of determining a Settlement Rate is not so specified, the Spot Rate for that Currency Valuation Date.

"Spot Rate" means, for any date, [the Exchange Rate(s) determined in accordance with the method specified in the relevant Final Terms] [the exchange rate at the time at which such exchange rate(s) is/are to be determined for foreign exchange transactions in the Relevant Currencies for value on that date as determined by the Calculation Agent in its absolute discretion.]

[insert other or further definitions, as the case may be, if necessary]

Condition 4b
(Redemption of Currency Linked [Notes] [Certificates] [Bonds])

The [Notes] [Certificates] [Bonds] shall be redeemed [on **[insert Maturity Date]** (the "**Maturity Date**")] at [the Currency Linked Redemption Amount] [either the Currency Linked Redemption Amount or by delivery of **[insert currency and amount to be delivered]**] [upon automatic exercise] as determined by the Calculation Agent in accordance with the provisions hereof [and the Final Terms] and as notified to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 by the Calculation Agent immediately after being determined. [The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] **[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date].**

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4c
(Official Successor Rate, Calculation Agent Adjustment, Correction, Disrupted Days)

(1) *Official Successor Rate.* If any Exchange Rate ceases to exist and is replaced by a successor currency exchange rate which is reported, sanctioned, recognised, published, announced or adopted (or other similar action) by a Governmental Authority (the "**Official Successor Rate**"), then the Spot Rate for the relevant Rate Calculation Date will be determined by the Calculation Agent in its absolute discretion.

(2) *Calculation Agent Adjustment.* If in the determination of the Calculation Agent, any of the Exchange Rates specified in the applicable Final Terms are published or announced by more than one price source and the price source referred to in such applicable Final Terms fails to publish or announce that Exchange Rate on the Rate Calculation Date (or, if different, the day on which rates for that date would, in the ordinary course, be published or announced by such price source), then the Spot Rate for that Rate Calculation Date will be determined by the Calculation Agent in its absolute discretion.

(3) *Correction of an Exchange Rate.* For the purposes of determining the Spot Rate for any Rate Calculation Date in any case where the Spot Rate for a Rate Calculation Date is based on information obtained from [Bloomberg Ticker] the Reuters Monitor Money Rates Service or the Dow Jones Telerate Service, the Spot Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such notice.

Notwithstanding the preceding paragraph, in any case where the Spot Rate for a Rate Calculation Date is based on the information published or announced by a Governmental Authority in the relevant country, the Spot Rate will be subject to the correction, if any, to that information subsequently published or announced by that source within the shorter of the period of five days from the Rate Calculation Date and the period expiring on the Business Day prior to the [Maturity Date] or Early Redemption Date, as the case may be.

(4) *Disrupted Days.* If the Calculation Agent in its sole and absolute discretion determines that a Disruption Event (as defined below) has occurred and is continuing on any Currency Valuation Date, then such Currency Valuation Date shall be postponed to the first following Business Day in respect of which there is no such Disruption Event; provided, however, that in no event shall the Currency Valuation Date be later than the eighth Business Day after the [Maturity Date] or the Early Redemption Date, as the case may be, and, if a Disruption Event in relation to an Exchange Rate is continuing on such eighth Business Day, the Currency Valuation Date shall be such eighth Business Day and the Issuer shall pay in lieu of payment of

the Redemption Amount or the Early Redemption Amount on the [Maturity Date] or Early Redemption Date, as the case may be, the Disruption Redemption Amount (as defined below) on the third Business Day following such eighth Business Day. All determinations made by the Calculation Agent pursuant to this Condition will be conclusive and binding on the [Noteholders] [Certificateholders] [Bondholders] and the Issuer except in the case of manifest error. Notice of the Disruption Redemption Amount, determined in accordance with this Condition, shall only be provided to [Noteholders] [Certificateholders] [Bondholders] affected by the Disruption Event.

"Disruption Event", in respect of Currency Linked [Notes] [Certificates] [Bonds], means the occurrence of any of the following events:

(a) Price Source Disruption;

(b) Illiquidity Disruption;

(c) Dual Exchange Rate;

(d) any other event that, in the opinion of the Calculation Agent, materially affects dealings in the [Notes] [Certificates] [Bonds] of any Series or affects the ability of the Issuer to meet any of its obligations under the [Notes] [Certificates] [Bonds] of any Series or under any related hedge transactions.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR CREDIT LINKED [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The definitions used in these Supplemental Terms and Conditions will be further amended and supplemented by the definitions set out in the Final Terms.

Credit Linked [Notes] [CERTIFICATES] [BONDS] will not be issued as securities which could be qualified as "Asset backed securities" in the meaning of article 2(5) of the Commission Regulation (EC) No 809/2004 of 29 April 2004.

**Condition 4a
(Definitions)**

["Bankruptcy" means a Reference Entity (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgement of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof; (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) (inclusive).]

["Credit Derivatives Determinations Committees" means the committees established by ISDA for purposes of reaching certain resolutions in connection with credit derivative transactions, as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.]

["Credit Event" means any one or more of [Bankruptcy][,] [Failure to Pay][,] [Obligation Acceleration][,] [Obligation Default][,] [Repudiation/Moratorium] [or] [Restructuring] [which is determined [by the relevant Credit Derivatives Determinations Committee, or if no such determination is made by the relevant Credit Derivatives Determinations Committee [which is the case in the following circumstances [*specify circumstance*]],] by the Determination Agent [*insert specifications for the method of determination of occurrence of Credit Event, if any*] as having occurred].]

["Credit Event Notice" means an irrevocable notice delivered by the Determination Agent to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 (which the Determination Agent has the right but not the obligation to deliver) that describes a Credit Event that occurred during the Reference Period. A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred [[and] [,] [a reference to the relevant decision of the relevant Credit Derivatives Determinations Committee] [and] [specifications of the method of determination of the occurrence of the Credit Event]]. The Credit Event that is subject to the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.]

"Credit Event Redemption Date" means, if a Credit Linked Redemption Amount is specified as an amount in **[specify currency]**, the tenth Business Day following a Credit Event Notice [and a Notice of Publicly Available Information], or, if a Credit Linked Redemption Amount is not specified as an amount in **[specify currency]**, [the [tenth] **[insert other number of Business Days]** Business Day after the [determination of the Final Price] [Maturity Date]] **[specify other time period].**

"Credit Linked Redemption Amount" means an amount per Specified Denomination [, which shall never be less than the Protection Amount, and] which shall be **[specify amount]** [the principal amount per Specified Denomination minus the greater of (i) zero or (ii) the principal amount per Specified Denomination multiplied by the difference between the Reference Price and the Final Price] **[specify different formula including treatment of breakage costs for (e.g. interest and currency) hedging transactions].**

"Default Requirement" means **[insert amount specified as such in the relevant Final Terms]** or its equivalent in the relevant Obligation Currency] **[if an amount is not specified: USD 10,000,000 or its equivalent in the relevant Obligation Currency]** as of the occurrence of the relevant Credit Event.]

"Excluded Obligation" means **[specify obligations or type of obligations].**

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.]

"Final Price" means **[insert specifications for determination of Final Price, including any applicable valuation procedures to be followed by the Determination Agent].**

"Governmental Authority" means any *de facto* or *de jure* Government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) or a Reference Entity or of the jurisdiction or organisation of a Reference Entity.]

"Grace Period" means **[specify Grace Period].**

"ISDA" means the International Swaps and Derivatives Association, Inc.]

"Notice Delivery Period" means the period from and including the [Issue Date] **[specify other date]** to and including the day that is [14] calendar days after the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date].**

"Notice of Publicly Available Information" means **[insert definition].**

"Obligation" means (a) any obligation determined pursuant to **[specify determination methodology]** [,] [and] (b) each Reference Obligation unless specified as an Excluded Obligation [and] (c) **[insert any obligation of a Reference Entity specified as such in the Final Terms].**

"Obligation Acceleration" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.]

["Obligation Currency" means the currency or currencies in which an Obligation is denominated.]

["Obligation Default" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.]

["Payment Requirement" means *[[insert amount specified as such in the relevant Final Terms]* or its equivalent in the relevant Obligation Currency] *[if an amount is not specified: USD 1,000,000 or its equivalent in the relevant Obligation Currency]* as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.]

["Potential Failure to Pay" means the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations without regard to any Grace Period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.]

["Reference Entity" means *[specify Reference Entity]* (or its *[successor]* *[Successor]*.)

["Reference Obligation" means *[specify obligations]*.

["Reference Period" means *[specify period]* *[if no period is specified: the period from and including the Issue Date to and including the day that is one Business Day prior to the [Maturity Date] [insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]].]*

["Reference Price" means *[100 per cent.] [specify].]*

["Repudiation/Moratorium" means the occurrence of both of the following events: (i) an authorised officer of a Reference Entity or a Governmental Authority (A) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement, or (B) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement and (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.]

["Repudiation/Moratorium Evaluation Date" means that date 60 days after the event described in (i) (A) in the definition of Repudiation/Moratorium or, in the event that the Obligations to which such Repudiation/Moratorium relates, includes obligations represented by bonds, the first interest payment date of any such bond after the event described in (i) (A) in the definition of Repudiation/Moratorium, if that date would be the later date.]

["Restructuring" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Issue Date of the relevant Series and the date as of which such Obligation is issued or incurred:

- (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;

(b) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;

(c) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;

(d) a change in the ranking in priority of payment of any Obligation, causing the subordination of such Obligation to any other Obligation; or

(e) any change in the currency or composition of any payment of interest or principal to any currency which is not (1) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (2) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Cooperation and Development and has a local currency long-term debt rating of either AAA or higher assigned to it by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, Aaa or higher assigned to it by Moody's Investors Service, Inc. or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings or any successor to the rating business thereof.

Notwithstanding the above, none of the following shall constitute a Restructuring: (x) the payment in euro of interest or principal in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union; (y) the occurrence of, agreement to or announcement of any of the events described in subparagraphs (a) - (e) above due to any administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and (z) the occurrence of, agreement to or announcement of the events described in (a) to (e) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.]

["Successor" means *[specify method for determination of successor].*]

[insert further or other definitions, as the case may be, if necessary]

Condition 4b
(Payment of the Credit Linked Redemption Amount)

[[insert in case of [Notes] [Certificates] [Bonds] with a fixed maturity date] The [Notes] [Certificates] [Bonds] shall be redeemed [on **[insert Maturity Date]** (the "**Maturity Date**") at their principal amount, provided that if (i) it has been determined on any date within the Reference Period that a Credit Event has occurred and (ii) a Credit Event Notice [and a Notice of Publicly Available Information] has been delivered by the Determination Agent to the [Noteholders] [Certificateholders] [Bondholders] in accordance with Condition 12 (Notices) that is effective on any date during the Notice Delivery Period, the [Notes] [Certificates] [Bonds] shall be redeemed at their Credit Linked Redemption Amount on the Credit Event Redemption Date and the Issuer shall not be liable to pay interest on such [Notes] [Certificates] [Bonds] in respect of all or any part of the Interest Period current at the relevant Credit Event Redemption Date nor in respect of any subsequent Interest Period] **[in case of an applicable Protection Amount:** the Issuer shall not be liable to pay interest on such [Notes] [Certificates] [Bonds] in respect of all or any part of the Interest Period current at the relevant Credit Event Redemption Date nor in respect of any subsequent Interest Period.] **[insert in case of [Notes] [Certificates] [Bonds] without a fixed maturity date]** [The [Notes] [Certificates] [Bonds] do not have a fixed maturity date.] **[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date.]**

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [BONDS] FOR
EXCHANGEABLE NOTES [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether these Supplemental Terms and Conditions for Exchangeable [Notes] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"**Conversion Ratio**" means [*specify amount*] subject to adjustment in accordance with Condition 4d.

"**Conversion Price**" means [*specify price*] subject to adjustment in accordance with Condition 4d.

"**Conversion Right**" means the right of the Noteholders to have any [Notes] [Bonds] redeemed either by delivery of the Underlying Securities or by payment of the Equity Linked Redemption Amount.

"**Delisting**" means that the Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union).

"**Delivery Agent**" means [*specify name and address of delivery agent*].

"**Disruption Cash Settlement Price**" means [*specify amount*].

"**Equity Valuation Date**" means [*insert date*].

"**Equity Valuation Time**" means [*insert time and Financial Center*] on the Equity Valuation Date.

"**Exchangeable [Notes] [Bonds]**" means those Notes in respect of which [the relevant Final Terms have specified that] a Conversion Right is applicable.

"**Exchange**" means each exchange or quotation system specified as such hereon for a Share, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"**Extraordinary Dividend**" means an amount per Share the characterisation of a dividend or portion thereof as an Extraordinary Dividend shall be determined by the Calculation Agent.

"**Extraordinary Event**" means a Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting, as the case may be.

"**Initial Conversion Price**" means [*specify price*].

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

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

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

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

"Potential Adjustment Event" means any of the following:

(a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of the relevant Shares of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(c) an Extraordinary Dividend;

(d) a call by the Share Issuer in respect of relevant Shares that are not fully paid;

(e) a repurchase by the Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(f) in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

"Related Exchange(s)" means each **[[insert exchange or quotation system which is specified in the Final Terms]]** or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index or such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).] **[[In cases where the Final Terms specify "All Exchanges" as the Related Exchange insert the following:]]** each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Share or, in any such case, any transferee or successor exchange of such exchange or quotation system.]

"Reverse Conversion Right" means the right of the Issuer [, as specified in the relevant Final Terms.] to redeem any Notes either by delivery of Underlying Securities or by payment of the Equity Linked Redemption Amount.

"Reverse Exchangeable [Notes] [Bonds]" means those Equity Linked Notes in respect of which [the relevant Final Terms have specified that] a Reverse Conversion Right is applicable.

"Settlement Date" means in the event of redemption of the [Notes] [Bonds] of a Series by delivery of the Underlying Securities, such Business Day as agreed by the Calculation Agent, being on or as soon as practicable after the earlier of the Optional Redemption Date or the [Maturity Date] **[insert other relevant date in case of [Notes] [Bonds] without fixed maturity date]** subject to amendments made in accordance with this conditions.

"Settlement Disruption Event" means, in respect of a Share, an event beyond the control of the parties as a result of which the relevant Clearing System or the relevant Intermediary cannot clear the transfer of such Share.

"Share Issuer" means the issuer of the Shares.

"Shares" or "Underlying Securities" means **[specify share or underlying securities]**.

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

"Valuation Date" means [each Equity Valuation Date] **[specify date]**.

"Valuation Time" means **[[specify time and financial center]** on the Valuation Date] [the time on the Valuation Date specified for the valuation of Shares as specified in the relevant Final Terms].

[insert other or further definitions, as the case may be, if necessary]

Condition 4b
(Conversion Right [Cancellation and Payment].)

[[In case of a Reverse Conversion Right:]

(1) *Reverse Conversion Right.* The Issuer has the right to redeem all and not just some only of the Notes either (i) by delivery of Underlying Securities or (ii) by payment of the

Final Redemption Amount, in both cases together with accrued interest. In case of (i), delivery shall be made on the Settlement Date in accordance with the provisions of Condition 4d below. In case of (ii), payment of the Final Redemption Amount shall be made [on **[specify Maturity Date]** (the "Maturity Date") **[insert other relevant date in case of [Notes] [Bonds] without fixed maturity date]**]. The Issuer may choose in its sole discretion, which of (i) or (ii) shall be the applicable redemption method for the **[Notes] [Bonds]** on the Equity Valuation Date at the Equity Valuation Time. Immediately after having exercised its choice, the Issuer shall notify the Calculation Agent and the **[Noteholders] [Bondholders]** of the applicable redemption method in accordance with Condition 12.

[[In case of a Conversion Right:]

[(•)] Conversion Right. Each **[Noteholder] [Bondholder]** has the right to demand (i) the conversion of all [and not just some only] [or some only] of the **[Notes] [Bonds]** into Underlying Securities or (ii) payment of the Final Redemption Amount, in both cases together with any accrued interest. Such Conversion Right shall be exercisable on **[specify date or dates and any applicable exercise procedures]** [the date or dates and in the manner specified in the relevant Final Terms].]

[[If "Cancellation and Payment" is specified in the Final Terms]

[(•)] Cancellation and Payment. In the event of an Extraordinary Event the Issuer may redeem all, or some only, of the **[Notes] [Bonds]** then outstanding at the Early Redemption Amount [or any other amount specified in the Final Terms] together, if appropriate, with interest accrued to (but excluding) the date of redemption upon the Issuer having given not less than **[5] [specify] Business Days' [days]** notice to the **[Noteholders] [Bondholders]** in accordance with Condition 12; and not less than **[7] [specify] [Business Days] [days]** before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**Condition 4c
(Delivery of Underlying Securities)**

(1) Delivery of Underlying Securities. For each **[Note] [Bond]** in a principal amount of **[specify principal amount]** the Issuer will transfer, or procure the delivery by the Delivery Agent, on or before the Settlement Date of **[insert number]** Underlying Securities, subject to adjustment in accordance with Condition 4e.

(2) Manner of Delivery. Delivery of Underlying Securities pursuant to subparagraph (1) will be effected to or to the order of the **[Noteholder] [Bondholder]** and will be credited to a securities account which account forms part of the Clearing System or the relevant Intermediary to be designated by the **[Noteholder] [Bondholder]** on or before the Settlement Date. No **[Noteholder] [Bondholder]** will be entitled to receive dividends declared or paid in respect of the Underlying Securities to which such **[Note] [Bond]** gives entitlement or to any other rights relating to or arising out of such Underlying Securities if the date on which the Underlying Securities are quoted ex-dividend or ex-the relevant right falls before the date on which the Underlying Securities are credited into the securities account of the **[Noteholder] [Bondholder]**.

(3) No Obligation. None of the Issuer and the Fiscal Agent shall be under any obligation to register or procure the registration of the relevant **[Noteholder] [Bondholder]** prior or after any conversion or any other person as the shareholder in any register of shareholders of any Company or otherwise.

(4) Compensation Amount. Notes to be redeemed in accordance with this condition to the same **[Noteholder] [Bondholder]** will be aggregated for the purpose of determining

the Underlying Securities to which such Notes give entitlement (and, for the avoidance of doubt, in the case of a Basket per particular class of Underlying Securities comprised in that Basket). The [Noteholders] [Bondholders] will not be entitled to any interest or other payment or compensation if and to the extent that the delivery of the Underlying Securities will take place after the earlier of the Optional Redemption Date or the [Maturity Date] ***[insert other relevant date in case of [Notes] [Bonds] without fixed maturity date]***. The number of Underlying Securities calculated on the basis of the provisions hereof will, to the extent they form a whole number, be transferred to the [Noteholder] [Bondholder]. Entitlement to the remaining fractions of Underlying Securities will be settled by payment of those fractions in cash rounded off to two decimals, calculated by the Calculation Agent on the basis of the price of the Underlying Securities quoted on the relevant Related Exchange at the closing on the Valuation Date and, to the extent necessary, converted into Euro at the Calculation Agent's spot rate of exchange prevailing on such day (the "**Compensation Amount**").

(5) *Delivery Expenses*. All expenses including but not limited to any depository charges, levies, scrip fees, registration, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or taxes or duties (together, "**Delivery Expenses**") arising from the exercise of the Reverse Conversion Right or the Conversion Right and/or delivery and/or transfer of Underlying Securities in respect of a [Note] [Bond] shall be for the account of the relevant [Noteholder] [Bondholder] and no delivery and/or transfer of Underlying Securities in respect of a Note shall be made until all Delivery Expenses have been discharged to the satisfaction of the Issuer by the relevant [Noteholder] [Bondholder].

(6) *Settlement Disruption Event*. If, in the opinion of the Delivery Agent, delivery of Underlying Securities pursuant to the exercise of the Reverse Conversion Right or the Conversion Right for any Series is not practicable by reason of a Settlement Disruption Event having occurred and continuing on the Settlement Date, then the Settlement Date shall be postponed to the first following Business Day in respect of which there is no Settlement Disruption Event, and notice thereof shall be given to the relevant [Noteholder] [Bondholder] in accordance with Condition 12. Such [Noteholder] [Bondholder] shall not be entitled to any payment, whether of interest or otherwise, on such Note in the event of any delay in the delivery of the Underlying Securities pursuant to this paragraph, and no liability in respect thereof shall attach to the Issuer. For the avoidance of doubt any such postponement shall not constitute a default by the Issuer. For so long as delivery of the Underlying Securities in respect of any [Note] [Bond] is not practicable by reason of a Settlement Disruption Event, then instead of physical settlement, and notwithstanding any other provision hereof or any postponement of the Settlement Date, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant [Noteholder] [Bondholder] of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election is given to the [Noteholders] [Bondholders] in accordance with Condition 12. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the [Noteholders] [Bondholders] in accordance with Condition 12.

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4d (Calculation Agent Adjustment)

[(1)] *Potential Adjustment Event*. In the event of a Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will:

- (a) make the corresponding adjustment(s) to the Conversion Price or the Conversion Ratio or any of the other relevant terms as the Calculation Agent

determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share); and

(b) determine the effective date(s) of the adjustment(s). In such case, such adjustments shall be deemed to be so made from such date(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by any Options Exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the [Noteholders] [Bondholders] in accordance with Condition 12, stating the adjustment made to any relevant terms and giving brief details of the Potential Adjustment Event. For the avoidance of doubt, in addition to or instead of varying any terms in accordance with the above provisions, the Calculation Agent may distribute to the holders of the outstanding relevant [Notes] [Bonds] additional [Notes] [Bonds] and/or a cash amount. Such distribution of additional Notes may be made on a "free" or "delivery versus payment" basis.

[[If "Calculation Agent Adjustment" is specified in the Final Terms]

([2]) *Extraordinary Event.* In the event of an Extraordinary Event the Calculation Agent shall make such adjustments to the redemption, settlement, payment or any other terms of the [Notes] [Bonds] as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Extraordinary Event upon the Calculation Agent having given not less than [5] [*specify*] [Business days]' [days]' notice to the [Noteholders] [Certificateholders] in accordance with Condition 12; and not less than [7] [*specify*] [Business days] [days] before the giving of such notice, notice to the Fiscal Agent [(unless the Fiscal Agents acts as Calculation Agent)].

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR [INTEREST] TRENDS-[NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following Supplemental Terms and Conditions for [Interest] TRENDS-[Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitions)**

"**Valuation Time**" means *[insert time]*, [London time] [Frankfurt time] *[insert other place]*.

"**Fixing Date**" means the *[insert date]*. If such day is not a Business Day, the immediately succeeding Business Day shall be deemed the Fixing Day.

"**Futures Contract Size**" is an amount calculated in accordance with the following formula:

$$\left[\frac{([\text{Specified Denomination}][\text{par value}] \times 100,000)}{(\text{insert aggregate nominal amount})} \right]$$

[insert other formula]

"**Leverage**" equals the factor *[insert number]*.

"**Relevant Futures and Options Exchange**" means *[insert Relevant Futures and Options Exchange]*.

"**Position Size**" equals in respect of each Roll Period an amount calculated in accordance with the following formula:

$$\left[\text{Leverage} \times \frac{([\text{Specified Denomination}][\text{par value}])}{(\text{Futures Contract Size})} \right]$$

[insert other formula]

"**Redemption Amount**" equals the [Specified Denomination] [par value] of the [Notes] [Certificates] [Bonds].

"**Settlement Date**" means in relation to (i) the Redemption Amount and, if applicable, the Stop-Loss Redemption Amount, the [Maturity Date] *[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]*., (ii) the Interest Amount, the applicable Interest Payment Date, and (iii) [the Early Redemption Amount] [and/or] [the Optional Redemption Amount], the fifth Business Day after [the Early Redemption Date] [or] [the Optional Redemption Date][, as the case may be].

"**Tick Size**" equals *[insert amount]*.

"**Tick Value**" equals *[insert currency and amount]*.

"**Expiration Date**" means *[insert date]* and shall correspond to the [Last] Currency Valuation Date.]

[insert other or further definitions, as the case may be, if necessary]

**Condition 4b
(Index Performance; Moving Average System Price; Index; Signal)**

(1) [The "**Index Performance**" equals, on each Business Day of a Roll Period, the Moving Average System Price (Condition 4b(2)) determined by the Calculation Agent at the Valuation Time on such day minus the Moving Average System Price determined by the Calculation Agent on the first day of the Roll Period at the Valuation Time.]

[insert other or further provisions and/or definitions]

(2) [The "**Moving Average System Price**" (i) in respect of the Issue Date_a equals **[insert amount]** and (ii) thereafter, in respect of each Business Day_t of a Roll Period (excluding the Issue Date), equals:

$$\left[\frac{\text{Index}_{(Fast)} + \text{Index}_{(Medium)} + \text{Index}_{(Slow)}}{3} \right]$$

[insert other formula]

where $\text{Index}_{(Fast)}$, $\text{Index}_{(Medium)}$ and $\text{Index}_{(Slow)}$ are calculated in respect of such Business Day_(t).]

[insert other or further provisions and/or definitions]

(a) [The "**Index_(Fast)**" equals (i) in respect of the Issue Date_(a) the price **[insert amount]** and (ii) in respect of each following Business Day_(t) of a Roll Period (excluding the Issue Date) the $\text{Index}_{(Fast t)}$, calculated in accordance with the following formula:

$$[\text{Index}_{(Fast t-1)} + S_{(t-1)} \times (P_{(t)} - P_{(t-1)})]$$

[insert other formula]

where

"**Index_(Fast t-1)**" equals the price of $\text{Index}_{(Fast)}$ in respect of Business Day_(t-1), which is the Business Day immediately preceding Business Day_(t);

"**S_(t-1)**" means the Signal (Condition 4b(3)) in respect of Business Day_(t-1) as determined in respect of a pair of Moving Averages of Observed Prices (Condition 4c) with a Period Length_(Shorter) (Condition 4b(4)) of **[insert number]** Business Days and a Period Length_(Longer) of **[insert number]** Business Days;

"**P_(t)**" equals the Observed Price (Condition 4c) on Business Day_(t); and

"**P_(t-1)**" equals the Observed Price on Business Day_(t-1).]

[insert other or further provisions and/or definitions]

(b) [The "**Index_(Medium)**" equals (i) in respect of the Issue Date_(a) the price **[insert amount]** and (ii) in respect of each following Business Day_(t) of a Roll Period (excluding the Issue Date) the $\text{Index}_{(Medium t)}$, calculated in accordance with the following formula:

$$[\text{Index}_{(Medium t-1)} + S_{(t-1)} \times (P_{(t)} - P_{(t-1)})]$$

[insert other formula]

where

"**Index_(Medium t-1)**" equals the price of $\text{Index}_{(Medium)}$ in respect of Business Day_(t-1), which is the Business Day immediately preceding Business Day_(t);

"**S**_(t-1)" means the Signal in respect of Business Day_(t-1) as determined in respect of a pair of Moving Average of Observed Prices with a Period Length_(shorter) of **[insert number]** Business Days and a Period Length_(Longer) of **[insert number]** Business Days;

"**P**_(t)" equals the Observed Price on Business Day_(t); and

"**P**_(t-1)" equals the Observed Price on Business Day_(t-1).

[insert other or further provisions and/or definitions]

(c) [The "**Index**_(Slow)" equals (i) in respect of the Issue Date_(a) the price **[insert amount]** and (ii) in respect of each following Business Day_(t) of a Roll Period (excluding the Issue Date) the **Index**_(Slow), calculated in accordance with the following formula:

$$[\text{Index}_{(\text{Slow } t-1)} + S_{(t-1)} \times (P_{(t)} - P_{(t-1)})];$$

[insert other formula]

where

"**Index**_(Slow t-1)" equals the price of **Index**_(Slow) in respect of Business Day_(t-1), which is the Business Day immediately preceding Business Day_(t);

"**S**_(t-1)" means the Signal in respect of Business Day_(t-1) as determined in respect of a pair of Moving Average of Observed Prices with a Period Length_(Shorter) of **[insert number]** Business Days and a Period Length_(Longer) of **[insert number]** Business Days;

"**P**_(t)" equals the Observed Price on Business Day_(t); and

"**P**_(t-1)" equals the Observed Price on Business Day_(t-1).]

[insert other or further provisions and/or definitions]

(3) [The "**Signal**", in respect of each Business Day_(t) of a Roll Period, and for a particular pair of Moving Averages of Observed Prices "**MA**_(t)(**Period Length**_(Shorter))" and "**MA**_(t)(**Period Length**_(Longer))" (as described in Condition 4d) is determined by the Calculation Agent at the Valuation Time as follows:

if

$$MA_{(t)}(\text{Period Length}_{(\text{Shorter})}) \geq MA_{(t)}(\text{Period Length}_{(\text{Longer})})$$

then the Signal equals: +1,

otherwise the Signals equals: -1.

Each set of Signals in respect of any Business Day_(t) will be stored for purposes of calculations.]

[insert other or further provisions and/or definitions]

(4) [The "**Period Length**", in respect of any Business Day_(t) of a Roll Period, ending on such Business Day_(t), means the number of days over which the Moving Average System is calculated.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4c
(Observed Price; Adjustment Factor)

(1) [The "**Observed Price**" (also "**P_(i)**" or "**P_(t)**", as applicable) means the first available traded price at the Valuation Time on a Business Day_(t) of a Roll Period observed on the [QR] *[insert other page]* Bloomberg Page for the Near-Month-Futures plus or minus [0.01] *[insert other amount]* to allow for bid/ask as determined by the Calculation Agent and subject to adjustment in accordance with Adjustment of the Observed Prices (as specified below) plus the Cost of Rollover (all as described below).]

[insert other or further provisions and/or definitions]

(2) [The Calculation Agent will retrospectively determine Observed Prices prior to the Issue Date where required for the purposes of calculations required in respect of the Conditions of the Securities. All Observed Prices will be stored by the Calculation Agent.

(a) "**QR Bloomberg Page**" means the Bloomberg page accessible by ticker "RX<Expiry><Year> Comdty QR" where "<Expiry>" is the letter under standard market quotation representing the expiration month of the Near-Month-Futures or the Far-Month-Futures, as the case may be, (as described below) and "<Year>" is the digit under standard market quotation representing the expiration year of the Near-Month-Futures or the Far-Month-Futures, as the case may be, or such successor page as selected by the Calculation Agent.

(b) "**Near-Month-Futures**" means

(i) in respect of the initial Roll Period and on any Business Day_(t) of such Roll Period, the Eurex Euro Bund Futures contract closest to expiry and

(ii) in respect of each subsequent Roll Period

(aa) on each Business Day_(t) of such Roll Period up to and including the day of expiry of the Eurex Euro Bund Futures contract closest to expiry, the Eurex Euro Bund Futures contract second closest to expiry, and

(bb) on any subsequent Business Day_(t) of such Roll Period, the Eurex Euro Bund Futures contract closest to expiry;

(c) "**Far-Month-Futures**" means on any Business Day_(t) the Eurex Euro Bund Futures contract falling due for expiry immediately after the expiry of the Near-Month-Futures.

(d) "**Eurex Euro Bund Futures contract**" in this context means [a futures contract on a notional debt security of the Federal Republic of Germany with term of 8.5 to 10.5 years, a par value of Euro 100,000 and a coupon of 6 per cent., so-called Euro Bund Futures, as determined by the Relevant Futures and Options Exchange on the basis of the 18 July, 2005 contract specifications] *[insert other future contract]*.

[If the Relevant Futures and Options Exchange where to make any adjustments to the Eurex Euro Bund Futures contract the Issuer shall be entitled to modify the Conditions of the [Notes] [Certificates] [Bonds] in a manner and relation corresponding to the relevant adjustments made by the Relevant Futures and Options Exchange with regard to the Eurex Euro Bund Futures contract. Adjustments will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange. However, the Issuer may deviate from the adjustments made by the Relevant Futures and Options Exchange should this be required in order to account for existing

differences between the [Notes] [Certificates] [Bonds] and a Euro Bund Futures.] **[insert other or further adjustment provisions]**

(e) On the first Business Day of each Roll Period (excluding the Issue Date) ("RP₍₁₎"), the Calculation Agent will adjust all stored Observed Prices, including the Observed Price on that day, by the Adjustment Factor. The Observed Price as adjusted will then replace the previously stored price and will be used for the purposes of all calculations required under the Terms and Conditions of the [Notes] [Certificates] [Bonds].

The "Adjustment Factor" equals the Observed Price of the Far-Month-Futures on RP₍₁₎ minus the Observed Price of the Near-Month-Futures on RP₍₁₎;

where

the "Observed Price of the Far-Month-Futures on RP₍₁₎" means the first available traded price at Valuation Time on RP₍₁₎, observed on the QR Bloomberg Page, for the Far-Month-Futures plus or minus **[insert amount]** to allow for bid/ask as determined by the Calculation Agent and

the "Observed Price of the Near-Month-Futures on RP₍₁₎" means the first available traded price at Valuation Time on RP₍₁₎, observed on the QR Bloomberg Page, for the Near-Month-Futures plus or minus **[insert amount]** to allow for bid/ask as determined by the Calculation Agent.

(f) "Cost of Rollover" will be determined by the Calculation Agent as follows:

(i) if at the start of each Roll Period (but excluding the Issue Date), the sum of the three Signals in respect of Index_(Fast), Index_(Medium) and Index_(Slow) is positive, the Cost of Rollover will be equal to **[insert amount]**;

(ii) otherwise the Cost of Rollover will be equal to **[insert amount].]**

[insert other or further provisions and/or definitions]

(3) [If the Bloomberg service is unavailable for the Calculation Agent or if the Relevant Futures and Options Exchange has suspended trading the Calculation Agent will determine the Observed Price using a methodology selected in its reasonable discretion pursuant to Condition 315 of the German Civil Code ("BGB").]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4d

(Moving Averages of Observed Prices; Stop-Loss Event; Stop-Loss Amount)

(1) In respect of any Business Day_(t) of a Roll Period, the "Moving Average of Observed Prices" ("MA") with a Period Lengths_c,

where "c" means the number of Business Days in Period Length,

is determined at Valuation Time as follows

(a) On the Issue Date_(a), MA_(a)(c) is calculated using an arithmetic average:

$$[MA_a(c) = \frac{\sum_{i=a-c+1}^a P_i}{c}]$$

[insert other formula]

Where

$$\sum_{i=a-c+1}^a P_i$$

[$\sum_{i=a-c+1}^a P_i$ equals the sum of the Observed Prices "Pi" determined in respect of all Business days from and including Business Day_(a-c+1) (which is "c-1" Business Days prior to the Issue Date_(a)) up to and including the Issue Date.] **[insert other formula, provision and/or definition]**

(b) On any subsequent Business Day_(t) of a Roll Period, MA_{(t)(c)} is calculated in accordance with the following formula:

$$[MA_{(t)(c)} = MA_{(t-1)(c)} + (EXP \times Diff)]$$

[insert other formula]

where

"EXP" equals $[2/(c + 1)]$;

"Diff" equals $P_{(t)} - MA_{(t-1)}$;

"MA_{(t-1)(c)}" means the value of the Moving Average of Observed Prices with Period Length_(c) on the Business Day_(t-1); and

"P_(t)" means the Observed Price determined in respect of the Business Day_(t).] **[insert other or further definitions]**

[insert other or further provisions and/or definitions]

(2) If on any Business Day during any Roll Period after the Issue Date the mark-to-market value of the Interim Strategy Amount becomes lower than the Stop-Loss Amount (Condition 4d(3)) (the "**Stop-Loss Event**"), as determined by the Calculation Agent, then no further Moving Averages of Observed Prices will be calculated.]

(3) [Moreover, following the occurrence of a Stop-Loss Event during any Roll Period:

(a) the Synthetic Strategy Credit in respect of such Roll Period and all following Roll Periods will be **[insert amount]**,

(b) no further Strategy Fee or Strategy Performance Fee will be calculated and no further amounts will be paid in respect of such fees; and the Calculation Agent will, as soon as reasonably practicable following the occurrence of the Stop-Loss Event and following unwinding of any hedging transactions by the Issuer, determine [in its reasonable discretion] [acting reasonably] a redemption amount equal to the sum of (i) the [Specified Denomination] [par value] and (ii) an amount, subject to a minimum of **[insert amount]**, determined as the mark-to-market value of the Interim Strategy Amount in respect of the Roll Period, in which the Stop-Loss Event occurred, (the "**Stop-Loss Redemption Amount**"). When determining the mark-to-market value, the Calculation Agent may, consider any market movements between the time the Stop-Loss Event occurs and the time when such mark-to-market value is finally determined.]

[insert other or further provisions and/or definitions]

(4) [In respect of calculations at any time during a Roll Period the "**Stop-Loss Amount**" will be equal to **[insert number]** per cent. of SA₍₀₎.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**Condition 4e
(Redemption)**

(1) [The Issuer will, subject to a Market Disruption (Condition 4f(3)), procure until the applicable Settlement Date (in any case not before the Settlement Date) the payment of the Redemption Amount, the Stop-Loss Redemption Amount, the Interest Amount, the Early Redemption Amount or the Optional Redemption Amount, as the case may be, in the Currency to be credited via the Paying Agent to the account of the relevant [Noteholder] [Certificateholder] [Bondholder] via the Clearing System or the relevant Intermediary.]

(2) [The Issuer will be discharged from its obligations under the [Notes] [Certificates] [Bonds] by payment of the Redemption Amount, the Stop-Loss Redemption Amount, the Interest Amount, the Early Redemption Amount or the Optional Redemption Amount, as the case may be, or of any other amount payable under these Conditions, as the case may be, to the Clearing System for further credit to the relevant [Noteholder] [Certificateholder]. [Bondholder]]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4f (Market Disruption)

(1) [If, in the opinion of the Issuer, a Market Disruption (Condition 4f(3)) prevails on the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**, on one of the Interest Determination Dates, on one of the Interest Payment Dates or on the Fixing Date, as the case may be, [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**., the relevant Interest Determination Dates, the relevant Interest Payment Date or the Fixing Date, as the case may be, shall be postponed to the next succeeding Business Day on which no Market Disruption prevails. The Issuer shall endeavour to notify the parties pursuant to Condition 12 without delay of the occurrence of a Market Disruption. However, there is no notification obligation.]

The [Noteholder] [Certificateholder] [Bondholder] shall not be entitled to further interest or other payment in respect of such delay of payments.]

(2) [If the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]** has been postponed, due to the provisions of Condition 4f(1), by eight Business Days following the [Maturity Date] and if the Market Disruption continues to prevail on this day, this day shall be deemed the [Maturity Date] and the Issuer will, [in its reasonable discretion] [acting reasonably] and taking into account the market conditions prevailing on such [Maturity Date] **[insert other relevant provisions in case of [Notes] [Certificates] [Bonds] without fixed maturity date]** determine whether and in which amount, if applicable, it will make payment of an amount in the Settlement Currency. The provisions of these Conditions relating to the Settlement Amount shall apply *mutatis mutandis* to such payment.]

(3) [A "**Market Disruption**" shall mean a suspension or a restriction, the latter of which is in the Issuer's opinion significant, imposed on trading

[(i) in Euro-Bund-Futures on the Relevant Futures and Options Exchange or

(ii) due to a directive of an authority, of the Relevant Futures and Options Exchange or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Futures and Options Exchange is located, or due to other whatsoever reasons] **[insert further or other disruptions].]**

(4) [A restriction of the hours or the number of days during which trading takes place is not deemed a Market Disruption, if the restriction is based on a change in regular trading hours at the Relevant Futures and Options Exchange announced in advance at least one

(1) hour prior to the earlier of (i) the actual closing time for the regular trading hours of the Relevant Futures and Options Exchange or (ii) the submission deadline for orders entered into the Relevant Futures and Options Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed a Market Disruption, if such restriction continues until the end of trading hours on the relevant day.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**SUPPLEMENTAL TERMS AND CONDITIONS OF THE [NOTES] [CERTIFICATES]
[BONDS] FOR FX FAST [NOTES] [CERTIFICATES] [BONDS]**

The general Terms and Conditions shall be supplemented or amended by inserting the provisions set out below. The relevant Final Terms will determine whether the following Supplemental Terms and Conditions for FX FAST [Notes] [Certificates] [Bonds] shall be applicable.

**Condition 4a
(Definitionen)**

"Settlement Currency" bezeichnet *[einfügen]*.

"Observation Period" means *[insert]*.

"Valuation Date" means *[each] [insert date]*.

"Fixing Time" means *[insert]*.

"Relevant Futures and Options Exchange" means *[insert]*.

"Redemption Date" means *[insert]*.

"Expiration Date" means *[insert date]* and shall correspond to the [Last] Valuation Date.]

"Available Currency" means *[insert]*.

[insert other or further definitions, as the case may be, if necessary]

**Condition 4b
(Strategy Amount; Interim Strategy Amount; Strategy Payout)**

(1) [For the purpose of determining the Redemption Amount, the "Strategy Amount" (or "SA") at the start of each Observation Period (" $SA_{(Start)}$ ") is determined as follows:

(a) $SA_{(Start)}$ in relation to the initial Observation Period equals *[insert amount]* per cent. of the [Specified Denomination] [par value] per [Note] [Certificate] [Bond] ("Initial Strategy Amount" or " $SA_{(0)}$ ").

(b) In respect of any subsequent Observation Period, $SA_{(Start)}$ is equal to $SA_{(End)}$ as of the immediately preceding Observation Period.

(c) The Strategy Amount at the end of each Observation Period (" $SA_{(End)}$ ") is, subject to a minimum amount of zero, equal to sum of (i) the Interim Strategy Amount and (ii) the Accrued Interest on Strategy Amount, minus the Strategy Payout and the Strategy Fee (all as defined below).]

(2) [The "Interim Strategy Amount" is calculated by the Calculation Agent in relation to each Observation Period, subject to a minimum amount of zero, by multiplying the sum of $SA_{(Start)}$ and Strategy Performance by Leverage and by Participation.

where

"Strategy Performance" in respect of each Observation Period will be rounded to four decimal places and will be equal to the sum of all the Currency Performances (Condition 4c) in relation to each Available Currency for such Observation Period.

"Leverage" in respect of the first Observation Period will be equal to *[insert amount]*.

In respect of all subsequent Observation Periods, Leverage will be equal to either:

(a) if the Strategy Performance calculated in the immediately preceding Observation Period is strictly lower than **[insert amount]** then Leverage will be equal to **[0] [insert amount]**; or

(b) otherwise Leverage will be equal to **[insert amount]**.

"Participation" in respect of each Observation Period will be equal to either:

(a) if the Strategy Performance calculated for such Observation Period is strictly positive, then the Participation will be equal to **[insert amount]** per cent.; or

(b) otherwise Participation will be equal to **[insert amount]** per cent..]

(3) [The "Accrued Interest on Strategy Amount" is determined by the Calculation Agent in relation to each Observation Period by multiplying, subject to the Roll-Up Day Count Fraction, $SA_{(Start)}$ by the difference of Roll-Up Rate and **[insert amount]** per cent..]

Where:

"Roll-Up Rate", in respect of each Observation Period, means the [1-month Euribor] **[insert other reference rate]** observed by the Calculation Agent at the Fixing Time on the first day of the Observation Period on Reuters page [EURIBOR01] **[insert other page]** or such successor page as determined by the Calculation Agent [in its reasonable discretion] [acting reasonably] or, if no successor page exists, as determined by the Calculation Agent [in its reasonable discretion] [acting reasonably].

"Roll-Up Day Count Fraction" in respect of each Observation Period equals the actual number of days in the Roll Period corresponding to the Observation Period divided by 360.]

[insert further or other provisions and/or definitions]

(4) [The "Strategy Payout" is determined as follows:

(a) On each Roll Date (Condition 3(2)) which is not also an Interest Payment Date and in respect of the first Interest Payment Date the Strategy Payout shall be zero.

(b) On each Roll Date which also is an Interest Payment Date (with the exception of the first Interest Payment Date) and provided that a Stop-Loss Event has not occurred nor will occur following the payment of the Interest Amount (Condition 3(1)) incorporating such Strategy Payout, the Strategy Payout is, if in respect of an Observation Period both:

(i) $Cushion_{(End)} > Cushion_{(Start)}$

and

(ii) $Cushion_{(End)} > Cushion_{(0)}$

(all as described in Condition 4b(2)) calculated in accordance with the following formula:

[50 % x [Cushion_(End) minus the higher of a) Cushion_(Start) and b) Cushion₍₀₎]]
[insert other formula]

otherwise the Strategy Payout is equal to zero.

(c) If a Stop Loss Event has occurred during any Observation Period the Strategy Payout in respect of such Observation Period and all following Observation Periods will be zero.]

[insert further or other provisions and/or definitions]

(5) [The "**Strategy Fee**" is determined as follows:

(a) Provided that a Stop-Loss Event has not occurred nor will occur following the payment of such Strategy Fee, the Strategy Fee in respect of each Observation Period will be determined by multiplying, subject to the Fee Day Count Fraction, the interest rate of ***[insert amount]*** per cent. per year by the [Specified Denomination] [par value] of the [Notes] [Certificates] [Bonds].

The Strategy Fee in respect of each Roll Period is calculated on a basis where each calendar months is deemed to comprise 30 days and each calendar year is deemed to comprise 360 days with twelve 30-days months ("**Fee Day Count Fraction**").

(b) If a Stop-Loss Event has occurred during any Observation Period the Strategy Fee for such Observation Period and all following Observation Periods will be zero.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4c
(Currency Performances; Cushion)

(1) [The "**Currency Performances**" is determined by the Calculation Agent in relation to each Observation Period and in respect of each Available Currency calculated in accordance with the following formula:

$$\frac{[(\text{Currency Weight}) \times (\text{FX}_{(\text{Start})}) \times (1 + (\text{Deposit Rate}) \times (\text{Deposit Rate Day Count Fraction}))]}{(\text{FX}_{(\text{End})})}$$
 [insert other formula]

Whereby

["Currency Weight" in respect of each Observation Period and in respect of each Available Currency, the Currency Weight will be equal to either:

(a) +1 if Deposit Rate for such Available Currency is strictly higher than the Deposit Rates in respect of at least three (3) other Available Currencies; or

(b) -1 if Deposit Rate for such Available Currency is strictly lower than the Deposit Rates in respect of at least three (3) other Available Currencies

where all Deposit Rates are determined in respect of such Observation Period.] **[insert other provisions and/or definitions]**

["FX_(Start)" in respect of each Available Currency and

(a) in respect of the first Observation Period will be the mid market value of the FX Rate for such Available Currency determined by the Calculation Agent at the Fixing Time on the first day of such Observation Period; and

(b) in respect of any subsequent Observation Period will be equal to $\text{FX}_{(\text{End})}$ as determined in the immediately preceding Observation Period.] **[insert other provisions and/or definitions]**

["FX_(End)" in respect of each Observation Period and in respect of each Available Currency will be the mid market value of the FX Rate for such Available Currency as determined by the Calculation Agent at the Fixing Time on the last day of such Observation Period.] **[insert other provisions and/or definitions]**

["FX Rate" in respect of each Available Currency will be the number of such Available Currency per 1 Euro, quoted with two decimal places in respect of Japanese Yen and four decimal places otherwise, as determined by the Calculation Agent.] **[insert other provisions and/or definitions]**

["Deposit Rate" in respect of each Observation Period and in respect of each Available Currency, the mid market interest rate for a deposit in such Available Currency running from the first day of such Observation Period to but excluding the Roll Date immediately following the end of such Observation Period, as determined by the Calculation Agent at the Fixing Time on the first day of such Observation Period. The Deposit Rate will always be a number rounded to four decimal places.]

["Deposit Rate Day Count Fraction" in respect of each Observation Period and in respect of all Available Currencies equals the actual number of days from and including the first day of such Observation Period to but excluding the Roll Date immediately following the end of Observation Period divided by 360.] **[insert other provisions and/or definitions]**

(2) [For the purpose of determining the Strategy Payout, the "**Cushion**" at the start of each Observation Period ("**Cushion_(Start)**") is determined as follows:

(a) Cushion(Start) in relation to the initial Observation Period equals **[insert amount]** per cent. of the [Specified Denomination] [par value] per [Note] [Certificate] [Bond] ("Cushion₍₀₎").

(b) In respect of any subsequent Observation Period, Cushion_(Start) is equal to SA_(Start) as of the immediately preceding Observation Period minus the Zero Coupon Value.

Where "**Zero Coupon Value**" in respect of each Observation Period equals the value of a zero-coupon note issued by UBS AG [, acting through its [London Branch **[insert other Branch]**, denominated in Euro, with a nominal amount equal to the [Specified Denomination] [par value] per [Note] [Certificate] [Bond], [maturing on the Maturity Date] [**[insert other relevant provisions/date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]** and with an issue date in five Business Days as determined by the Calculation Agent.

(c) The Cushion at the end of each Observation Period ("**Cushion_(End)**") is calculated, subject to a minimum amount of zero, by adding Cushion(Start) to the collective product of Strategy Performance, Participation and the [Specified Denomination] [par value] per [Note] [Certificate] [Bond].]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4d

(Stop-Loss Event; Stop-Loss Redemption Amount; Stop-Loss Amount)

(1) [If on any Business Day During any Observation Period after the Issue Date the mark-to-market value of the Interim Strategy Amount becomes strictly lower than the Stop-Loss Amount (Condition 4c(4)) (the "**Stop-Loss Event**"), as determined by the Calculation Agent, then no further Strategy Performance will be calculated.]

(2) [Moreover, Following the occurrence of a Stop-Loss Event during any Roll Period:

(a) no further Strategy Payout will be calculated nor incorporated in the calculation of the Interest Amount,

(b) no further Strategy Fee will be calculated and no further amounts will be paid in respect of such fees; and

(c) the [Noteholder] [Certificateholder] [Bondholder] of each [Note] [Certificate] [Bond] will receive on the Redemption Date the payment of the Stop-Loss Redemption Amount (Condition 4c(3)) commercially rounded to two decimal points.]

(3) [The "**Stop-Loss Redemption Amount**" equals the [Specified Denomination] [par value] per [Note] [Certificate] [Bond] multiplied with the higher of

(a) 100 per cent. and

(b) an amount determined by the Calculation Agent [in its reasonable discretion] **[acting reasonably] [if the [Notes] [Certificates] [Bonds] are issued under German Law insert]** pursuant to Condition 315 of the BGB] (as soon as reasonably practicable following the Stop-Loss Event and following unwinding of any hedging transactions by the Issuer) as (i) the mark-to-market value of the Interim Strategy Amount (allowing for any market movements between the time the Stop-Loss Event occurs and the time when such mark-to-market value is finally determined) where the Interim Strategy Amount is in respect of the Observation Period in which the Stop-Loss Event occurred; (ii) divided by the Zero-Coupon Value (allowing for any market movements between the time the

Stop-Loss Event occurs and the time when such Zero-Coupon Value is finally determined).

For the avoidance of doubt, the Stop-Loss Redemption Amount will be subject to a minimum equal to 100 per cent. of the [Specified Denomination] [par value] of the [Note] [Certificate] [Bond] per [Note] [Certificate] [Bond].]

(4) [In respect of calculations at any time during an Observation Period the "Stop-Loss Amount" will be equal to **[insert amount]** per cent. of the mark-to-market value of the Zero Coupon Value, as determined by the Calculation Agent.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4e (Redemption)

[The Issuer will, subject to a Market Disruption (Condition4g), procure until the applicable Redemption Date (in any case not before the Redemption Date) the payment of (i) the Redemption Amount, (ii) the Stop-Loss Redemption Amount, (iii) the Interest Amount, (iv) the Early Redemption Amount or (v) the Optional Redemption Amount, as the case may be, in the Settlement Currency to be credited via the Paying Agent to the account of the relevant [Noteholder] [Certificateholder] [Bondholder] via the Clearing System or the relevant Intermediary.

The "**Redemption Amount**" is equal to the Strategy Amount on the [Maturity Date] **[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]**., subject to the minimum of the [Specified Denomination] [par value] of the [Notes] [Certificates] [Bonds] Nominal Amount per [Note] [Certificate] [Bond].]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

Condition 4f (Adjustments; Successor Available Currency)

(1) [If, in the opinion of the Issuer and of the Calculation Agent [in their reasonable discretion] [acting reasonably] **[if the [Notes] [Certificates] [Bonds] are issued under German Law insert** pursuant to Condition 315 of the BGB], a material change in the market conditions occurred in relation to the international foreign exchange market relevant for the calculation and determination of the price of an Available Currency, the Issuer shall be entitled to effect adjustments to these Conditions to count for these changed market conditions.]

(2) [Any changes in the calculation of an Available Currency (including corrections) or of the composition or of the weighting of the prices or securities, which form the basis of the calculation of an Available Currency, shall not lead to an adjustment unless the Calculation Agent and the Issuer, [in their reasonable discretion] [acting reasonably] determine that the underlying concept and the calculation of the Available Currency (including corrections) is no longer comparable to the underlying concept or calculation of the Available Currency applicable prior to such change.

For the purposes of making any adjustments, the Calculation Agent and the Issuer shall [in their reasonable discretion] [acting reasonably] determine an adjusted value per unit of the Available Currency as the basis of the determination of the price of the Available Currency, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the Available Currency shall apply for the first time. The adjusted value per unit of the Available Currency as well as the date of its first application shall be published without undue delay pursuant to Condition12.]

(3) [In the event that an Available Currency is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such Available Currency, replaced by another currency, or merged with another currency to become a common currency, the Available Currency is, provided that the Issuer has not terminated the [Notes] [Certificates] [Bonds] in accordance with [Condition 4 and Condition 8], for the purposes of these Conditions replaced, if applicable, after having made appropriate adjustments according to Condition 4f(2), by such replacing or merged currency (the "**Successor Available Currency**").

The Successor Available Currency and the date it is applied for the first time shall be published without undue delay in accordance with Condition 12.

Any reference in these Conditions of Securities to the Available Currency shall, to the extent appropriate, be deemed to refer to the Successor Available Currency.]

(4) [Any adjustment shall be done [in the Issuer's reasonable discretion] [by the Issuer acting reasonably], under consideration of the market conditions then prevailing and protecting the previous economic development of the Available Currency. The Issuer reserves the right to determine the required adjustment in cases of doubt. Such determination shall be done [in the Issuer's reasonable discretion] [by the Issuer acting reasonably], considering the market conditions then prevailing.]

(5) [The adjustments and determinations of the Issuer pursuant to the paragraphs above shall be effected by the Issuer and shall be published by the Issuer in accordance with Condition 12. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**Condition 4g
(Market Disruption)**

(1) [If, in the opinion of the Issuer and of the Calculation Agent [in their reasonable discretion] [acting reasonably], a Market Disruption (Condition 4g(2)) prevails on an Interest Payment Date or on the [Maturity Date] ***[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]***., as the case may be, the relevant Interest Payment Date or the [Maturity Date] ***[insert other relevant date in case of [Notes] [Certificates] [Bonds] without fixed maturity date]***, as the case may be, shall be postponed to the next succeeding Business Day on which no Market Disruption prevails and no further interest or other payment shall be due in respect of such delay. The Issuer shall endeavour to notify the parties pursuant to Condition 12 without delay of the occurrence of a Market Disruption. However, there is no notification obligation.]

(2) [A "Market Disruption" shall mean

(a) a Relevant Country ((Condition 4[(3)]/[(4)]/[(5)]/[(6)]) (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its affiliates' ability to acquire, hold, transfer or realise an Available Currency or otherwise to effect transactions in relation to an Available Currency,

(b) the occurrence at any time of an event, which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its affiliates from:

(i) converting the Available Currency into the Currency, into another Available Currency or into another currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;

(ii) converting the Available Currency into the Currency, into another Available Currency or into another currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;

(iii) delivering an Available Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or

(iv) transferring an Available Currency between accounts inside any Relevant Country or to a party that is a nonresident of such Relevant Country.

(c) a suspension or a restriction, the latter of which is in the Issuer's and Calculation Agent's opinion significant, imposed on trading

(i) on the international foreign exchange market, which is used as a basis for the calculation of the Available Currency, in general or

(ii) in option or futures contracts with respect to the relevant Available Currency on the Relevant Futures and Options Exchange, if such option or futures contracts are traded there, or

(iii) due to a directive of an authority or due to a moratorium, which is declared in respect of banking activities in the country, in which foreign exchange market is located, or due to other whatsoever reasons.

A restriction of the hours or the number of days during which trading takes place is not deemed a Market Disruption, if the restriction is based on a change in regular trading hours on the international foreign exchange market, which is used as a basis for the calculation of the relevant Available Currency, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours or (ii) the submission deadline for orders entered for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed a Market Disruption, if such restriction continues until the end of trading hours on the relevant day.]

[insert other or further provisions or definitions if required; delete sub-paragraphs, if required]

**ANNEXE:
Form of Waiver Notice**

[To be completed by the relevant Certificateholder]

To: *[insert address of Issuer]*

To the attention of: [•]

Fax no.: [•]

Tel. no.: [•]

Email: [•]

Re: *[insert name of relevant Certificates]* Certificates due *[insert relevant Expiration Date]*

Information with regard to the Certificateholder:

Name: [•]

Street and no.: [•]

City: [•]

Country: [•]

Telephone no.: [•]

Information with regard to the Certificates:

Series no. of the Certificates: [•]

ISIN Code: [•]

Waiver of Certificate Right:

I hereby irrevocably waive the certificate right pursuant to Condition 1 (1) of the Terms and Conditions relating to the *[insert name of relevant Certificates]* Certificates due *[insert relevant Expiration Date]*.

Place, Date¹: [•]

Signature (signatures) of the Certificateholder
[•]

¹ This date shall be subsequent to the Final Valuation Date, if any.

FORM OF FINAL TERMS

FINAL TERMS

No. [insert]

dated [insert]

in connection with the Information Memorandum dated [●] 2019

regarding the Structured Note Programme of

UBS AG

[THE RISK FACTORS RELATING TO THE [NOTES] [CERTIFICATES] [BONDS] AND RELATING TO THE ISSUER ARE SET OUT IN THE INFORMATION MEMORANDUM, AS SUPPLEMENTED BY AN ANNEXE TO THE FINAL TERMS]

THIS PRODUCT DOES NOT REPRESENT A PARTICIPATION IN ANY OF THE COLLECTIVE INVESTMENT SCHEMES PURSUANT TO ART. 7 SS OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES (CISA) AND THUS IS NOT SUBJECT TO THE SUPERVISION OF THE SWISS FEDERAL BANKING COMMISSION. THEREFORE, INVESTORS IN THIS PRODUCT ARE NOT ELIGIBLE FOR THE SPECIFIC INVESTOR PROTECTION UNDER THE CISA.

THIS DOCUMENT AND ANY OF ITS SUPPLEMENT(S) ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE A SOLICITATION FOR INVESTMENTS FROM MEMBERS OF THE PUBLIC IN A COLLECTIVE INVESTMENT SCHEME IN TERMS OF THE SOUTH AFRICAN COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002 (AS AMENDED) ("CISCA") AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC AS CONTEMPLATED IN SECTION 99 OF THE COMPANIES ACT, 2008 (AS AMENDED). A POTENTIAL INVESTOR WILL BE CAPABLE OF INVESTING IN THE PRODUCT ONLY UPON CONCLUSION OF THE APPROPRIATE INVESTMENT AGREEMENTS AND PROVIDED THE RELEVANT INVESTOR COMPLIES WITH ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS. THIS DOCUMENT AND ANY ATTACHMENTS THERETO CONSTITUTE FACTUAL, OBJECTIVE INFORMATION ABOUT THE PRODUCT AND NOTHING CONTAINED HEREIN SHOULD BE CONSTRUED AS CONSTITUTING ANY FORM OF INVESTMENT ADVICE OR RECOMMENDATION, GUIDANCE OR PROPOSAL OF A FINANCIAL NATURE IN RESPECT OF THE PRODUCT OR ANY TRANSACTION IN RELATION THERETO. THE MANAGERS OF THE PRODUCT ARE NOT FINANCIAL SERVICES PROVIDERS IN SOUTH AFRICA AND NOTHING IN THIS DOCUMENT SHOULD BE CONSTRUED AS CONSTITUTING THE CANVASSING FOR, OR MARKETING OR ADVERTISING OF FINANCIAL SERVICES BY THE MANAGERS OF THE PRODUCT IN OR INTO SOUTH AFRICA.

[insert Date]

ISIN: [insert]
Common Code: [insert]
Other securities code: [insert]

**Issue of [Aggregate Principal Amount of Tranche] [Number of] [Title of [Notes]
[Certificates] [Bonds]] (Series [insert]) (the ["Notes"]/[the "Certificates"]) [Bonds]**

[Certificates are Notes within the meaning of § 793 German Civil Code whereby the payment of interest and/or redemption amounts is linked to the performance of an underlying.]

[These Final Terms are issued to give details of an issue of [Notes] [Certificates] [Bonds] under the Structured Note Programme of UBS AG (the "**Programme**") and are to be read in conjunction with the Terms and Conditions of the [Notes] [Certificates] [Bonds] (the "**Terms and Conditions**") set forth in the Information Memorandum dated [●] 2019 relating to the Programme which may be supplemented by a supplement from time to time. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions¹.]

[The Final Terms are issued to give details of an issue under the Structured Note Programme of UBS AG (the "**Programme**") and are to be read in conjunction with the Information Memorandum dated [●] 2019 [as supplemented by a supplement dated [] [insert further supplements, if any]]. The terms and conditions applicable to the [Notes] [Certificates] [Bonds] (the "**Conditions**") are attached to these Final Terms. They replace in full the Terms and Conditions of the [Notes] [Certificates] [Bonds] as set out in the Information Memorandum and take precedence over any conflicting provisions of these Final Terms.²]

Save as disclosed in item 17 below, so far as the Issuer is aware, no person involved in the offer of the [Notes] [Certificates] [Bonds] has an interest material to the offer.

[All references in these Final Terms to numbered sections are to sections of the Terms and Conditions and all provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the [Notes] [Certificates] [Bonds] (the "**Conditions**").³]

Capitalised terms used in the section relating to Index Linked [Notes] [Certificates] [Bonds], Equity Linked [Notes] [Certificates] [Bonds], Commodity Linked [Notes] [Certificates] [Bonds] and Credit Linked Notes and not otherwise defined herein or in the Conditions shall have the meaning set out in the 2002 ISDA Equity Derivatives Definitions, the 2005 ISDA Commodity Definitions and, as the case may be, in the 2003 ISDA Credit Derivatives Definitions published by the International Swaps and Derivatives Association, Inc., save that any references to the 'Related Confirmation' shall be deemed to refer to the relevant Final Terms.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Information Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Information Memorandum contains all information required by applicable law and, in relation to any Tranche of Notes listed on the Main Board, the JSE Main Board Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Information Memorandum and the annual financial statements and/or any

¹ To be inserted in the case of non-consolidated conditions.

² To be inserted in the case of consolidated conditions.

Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Information Memorandum and the annual financial statements and/or these Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Information Memorandum, the annual financial statements and/or these Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Information Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuers or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever. The information included herein with respect to the [(issuer(s) of) the Underlying Securities] [Relevant Commodity] [Index]/[Indices] [Reference Obligation] consists of extracts from, or summaries of, annual reports and other publicly available information. The Issuer makes no representation that any publicly available information or any other publicly available documents regarding the [issuer(s) of the Underlying Securities] [Relevant Commodity] [Reference Obligation] [Index]/[Indices] are accurate and complete and does not accept any responsibility in respect of such information. There can be no assurance that all events occurring prior to the date of these Final Terms that would affect the trading price of the [Underlying Securities] [Relevant Commodity] [Reference Obligation] [Index]/[Indices] (and therefore the trading price and value of the [Notes] [Certificates] [Bonds]) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure or failure to disclose material future events concerning the [Underlying Securities] [Relevant Commodity] [Reference Obligation] [Index]/[Indices] could affect the trading price and value of the [Notes] [Certificates] [Bonds].

These Final Terms do not constitute an offer to sell or the solicitation of an offer to buy any [Notes] [Certificates] [Bonds] or an investment recommendation. Neither the delivery of these Final Terms nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer [or the issuer(s) of the Underlying Securities since the date hereof] or that the information contained herein is correct as of any date subsequent to this date.

The distribution of these Final Terms and the offering, sale and delivery of the [Notes] [Certificates] [Bonds] in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Issuer to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on the offering and sale of the Series, see "*Subscription and Sale*" of the Information Memorandum as supplemented or amended by these Final Terms.

[Notes] [Certificates] [Bonds] governed by Swiss law will have the form of Intermediated Securities]. Unless otherwise provided in the Conditions, the Issuer may convert Swiss Global Notes into Uncertificated Securities and vice versa at any time and without consent of the respective Noteholder(s).]

[Items which matters are not applicable may be deleted completely provided that the consecutive numbering will be adjusted accordingly.]

1. Issuer: UBS AG, acting through UBS AG, London Branch

2. [(i)] Series Number: []

- [(ii)] Tranche Number: [] ***[if fungible with an existing Series, details of that Series, including the date on which the [Notes] [Certificates] [Bonds] become fungible]***

3. Language of Conditions: English only
4. Specified Currency or Currencies: South African Rand (**ZAR**)
[]
5. [Aggregate Principal Amount]/[Number of Units:]: []
- [(i)] Series: []
- [(ii)] Tranche: []
6. [(i)] Issue Price: **[insert amount]/[]** per cent. [of the Specified Denomination] [per unit] [plus accrued interest from **[insert date in the case of fungible issues only, if required]**]
[] **[required only for listed issues]**
- [(ii)] Net proceeds:
7. [Specified Denomination(s)] [Par Value]: []
[]
8. (i) Issue Date: []
[]
- (ii) Interest Commencement Date: [] **[only if different from Issue Date]**
[Not Applicable]
9. [(i)] Maturity Date: **[specify]** [[Notes] [Certificates] [Bonds] do not have a fixed maturity date.]
[specify]
- [(ii)] Expiration Date:
10. (i) Interest Basis: [] per cent. Fixed Rate
[LIBOR/EURIBOR/[**other**] +/- [] per cent.
[Zero Coupon
[Index Linked Interest
[Equity Linked Interest
[Bond Linked Interest
[Commodity Linked Interest
[Currency Linked Interest
[Future Linked Interest
[Credit Linked Index
[Other (specify)
(further particulars specified below)
- (ii) Day Count Fraction: [Actual/Actual (ICMA)]
[30/360]
[30E/360 or Eurobond Basis]
[Actual/365 or Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[other] [andere]

11. Redemption/ Payment Basis: [Redemption at par
[Index Linked Redemption
[Equity Linked Redemption
[Bond Linked Redemption
[Commodity Linked Redemption
[Currency Linked Redemption
[Future Linked Redemption
[Credit Linked Redemption
[Interest Linked Redemption
[Other (specify)
12. Change of Interest or Redemption/Payment Basis: **[specify details of any provision for change of [Notes] [Certificates] [Bonds] into another Interest Basis or Redemption / Payment Basis] [Not Applicable]**
13. Put/Call Options: [Investor Put] [Issuer Call] (further particulars specified below)
[Not Applicable]
14. Listing/Trading: Application will be made to admit the Notes to listing on the Main Board of the JSE
15. Last Day to Trade: 17h00 on the day that is 3 JSE Schedule Trading Days before the Record Date
16. Notes may listed and/or traded: The Notes will only be offered with a minimum trading size of at least ZAR 1 million (calculated on the basis of the requisite number of Notes multiplied by the Specified Denomination.

[Notes][Certificates][Bonds] may be listed and/or traded: [Applicable] [Not Applicable] [Specify]
17. Use of Proceeds: General corporate purposes

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18. Fixed Rate [Note] [Certificate] [Bond] Provisions: [Applicable] [Not Applicable] **[if not applicable, delete the remaining sub-paragraphs of this paragraph]**
- (i) Rate(s) of Interest: [] per cent. per annum [payable [annually] [semi-annually] [quarterly] **[other]** in arrear]

- % *per annum*
- (ii) Interest Payment Date(s): in each year
- (iii) Fixed Coupon Amount(s): per in Principal Amount [unit]
 pro
- (iv) Broken Amount(s): ***[insert particulars of any short or long coupon]***
- (v) Other terms relating to the method of calculating interest: [None] ***[give details]***
- (vi) Yield: [Applicable] [Not Applicable]
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
19. Floating Rate [Note] [Certificate] [Bond] Provisions: [Applicable] [Not Applicable]
[if not applicable, delete the remaining sub-paragraphs of this paragraph]
- (i) Specified Interest Period(s):
Each period commencing on (and including) and ending on (but excluding) , and commencing on (and including) and ending on (but excluding) , and commencing on (and including) and ending on (but excluding) , and commencing on (and including) and ending on (but excluding) , provided that the first Interest Period shall be from (and including) the Interest Commencement Date and ending on (but excluding) (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)
- (ii) Specified Interest Payment Dates :(
- (iii) Business Day Convention:
, , and until the Maturity Date or, if such day is not a Business Day, the Business Day on which the interest will be paid, as determined in accordance with the applicable Business Day Convention (as specified in these Final Terms). The first payment date being .
- (iv) Relevant Financial Centre(s) :
:

- (v) Manner in which the Rate(s) of Interest and Interest Amount is to be determined: [Screen Rate Determination] [ISDA Determination] [other (*specify*)]
- [insert name] [Not Applicable]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal Agent): [Details of historic LIBOR/ EURIBOR/Other] [(historic) rates can be obtained from []]
- []
- []
- (vii) Screen Rate Determination : (the interest rate determination date/s or reset dates of each Interest Period): []
- []
- []
- []
- Reference Rate: [+/-] [] per cent. per annum
- [+/-] [] % per annum
- Interest Determination Date(s) means the interest rate determination date/s or reset dates of each Interest Period: [] per cent. per annum
- [] per cent. per annum
- []
- Relevant Screen Page: [•], for the first Interest Period, and thereafter the first Business Day of each Interest Period
- (viii) ISDA Determination :
- Floating Rate Option:
- Designated Maturity:
- Reset Date: []
- (ix) Margin(s):

- (x) Minimum Rate of Interest:
 - (xi) Maximum Rate of Interest:
 - (xii) Fallback provisions, rounding provisions, and any other terms relating to the method of calculating interest, if different from those set out in the Conditions:
20. Benchmark Replacement (Condition 3(8): [Applicable] [Not Applicable]
- Constant Maturity Swap Floating Rate [Applicable] [Not Applicable]
[Notes] [Certificates] [Bonds] / Constant ***[if not applicable, delete the remaining sub-paragraphs of this paragraph]***
Maturity Swap Spread-Linked [Notes]
[Certificates] [Bonds]:
- (i) Specified Interest Period(s):
 - (ii) specified Interest Payment Dates:
 - (iii) Business Day Convention : [FRN Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] ***[Other (specify)]***
 - (iv) Relevant Financial Centre(s):
 - (v) Manner in which the Rate(s) of Interest and Interest Amount is to be determined: ***[specify]***
 - Swap Rate: Year Swap Rate
 - Interest Determination Date(s):
 - Relevant Screen Page:
 - (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal Agent): ***[insert name]*** [Not Applicable]
 - (vii) Margin(s): per cent. per annum
 - (viii) Fallback provisions, rounding provisions, and any other terms relating to the method of calculating interest, if different from those set out in the Conditions:

- []
- (ix) Further provisions [] [Not Applicable]
21. Zero Coupon [Note] [Certificate] [Bond] Provisions: [Applicable] [Not Applicable] *[if not applicable, delete the remaining sub-paragraphs of this paragraph]*
- (i) [Amortisation/Accrual] Yield: [] per cent. per annum
- (ii) Method of calculating the yield: [[ICMA method (The ICMA method determines the effective interest rate on [Notes] [Certificates] [Bonds] by taking into account accrued interest on a daily basis.)] *[Other methods (specify)]*
- (iii) Reference Price: []
[]
- (iv) Any other formula/Basis of determining amount payable: []
[]
22. Interest Bearing [Index] [Equity] [Bond] [Commodity] [Currency] [Credit] [Other] Linked [Notes] [Bonds] [Certificates]: [Applicable] [Not Applicable]
- (i) Minimum Rate of Interest: [] per cent. per annum
- (ii) Maximum Rate of Interest: [] per cent. per annum

PROVISIONS RELATING TO REDEMPTION

23. Automatic Exercise: [Applicable] [Not Applicable]
24. Call Option: [Applicable] [Not Applicable] *[if not applicable, delete the remaining sub-paragraphs of this paragraph]*
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each [Note] [Certificate] [Bond] and method, if any, of calculation of such amount(s): [] per [Note] [Certificate] [Bond] of [] Specified Denomination
]
[]
[]

- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount:
 - (b) Higher (Maximum) Redemption Amount:
 - (iv) Notice period: **[(if different from Condition4(3))]**
 - (v) Option Exercise Date(s): **[specify(date and time (from – to))]**
 [Not Applicable]

- 25. Automatic Early Redemption: [Not Applicable] **[specify]**

- 26. Put Option: [Applicable] [Not Applicable] **[if not applicable, delete the remaining sub-paragraphs of this paragraph]**
 - (i) Put Redemption Date(s):
 - (ii) Optional Redemption Amount(s) of each [Note] [Certificate] [Bond] and method, if any, of calculation of such amount(s): per [Note] [Certificate] [Bond] of specified denomination
 - (iii) Notice period:
 - (iv) Option Exercise Date(s): **[if different from Condition4(4)]**

- 27.(a) Condition 4(2) Tax Call: [Applicable] [Not Applicable]

- 27.(b) Condition 4() Early Redemption following the occurrence of: [Applicable] [Not Applicable]
 - (i) Change in Law: [Applicable] [Not Applicable]
 - (ii) Hedging Disruption: [Applicable] [Not Applicable]
 - (iii) Increased Cost of Hedging:

[Applicable] [Not Applicable]

28. Final Redemption Amount of each [Note] [Certificate] [Bond]⁴: [Principal Amount] [Par Value] [[] per Specified Denomination] [other]

29. Early Redemption Amount(s) of each [Note] [Certificate] [Bond] payable on redemption on an Event of Default [or Tax Call] and/ or the method of calculating the same (if required or if different from that set out in Condition 4): []

[]

PROVISIONS RELATING TO INDEX LINKED [NOTES] [CERTIFICATES] [BONDS]

30. Index Linked [Note] [Certificate] [Bond] Provisions: [Applicable [in relation to the Index Linked Redemption Amount] [and] [in relation to the payment of interest] [Not Applicable] [if not applicable, delete the remaining subparagraphs of this paragraph]

(i) Index Basket Transaction: [Applicable] [Not Applicable] [weighting]

(ii) Index or Indices: [include details of where past and future performance and volatility of the index/formula can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying]

(iii) Name of Index Sponsor(s): []

(iv) Related Exchange(s): [] [] []

(v) Description of formula to be used to determine the Index Linked Redemption Amount: []

(vi) Calculation Agent: []

⁴ Not applicable in relation to open-end products with no fixed maturity date.

-
-
- (vii) Index Valuation Date
- (viii) Index Valuation Time:
- (ix) Provisions for determining index linked amounts where calculation by reference to Index and/or Formula is impossible or impracticable:
- (x) Specified Period(s)/Specified Interest Payment Dates:
Festgelegte
- (xi) Business Day Convention:

[FRN Convention] [Following Business Day Convention] [Modified Following Business Day Convention/ Preceding Business Day Convention] [**other (give details)**]
- (xii) Relevant Financial Centre(s):
- (xiii) Protection Amount: [Protection of [the] [] per cent. of the] [principal amount] [par value] [Not Applicable]
- (xiv) Extraordinary Event: [Cancellation and Payment] [Determination Agent Adjustment] [**Other (specify)**]

[None] [**specify/insert description of the Index**]
- (xv) Frequency with which the Index is updated and published
- (xvi) Historic highs and lows of Index for the last five years
- (xvii) Closing spot level or closing price at the last practicable date
- (xviii) Has authority to use the Index been

- obtained from the Index Sponsor?
- (xix) Additional Provisions:

PROVISIONS RELATING TO EQUITY LINKED [NOTES] [CERTIFICATES] [BONDS]

31. Equity Linked [Note] [Certificate] [Bond] Provisions: [Applicable [in relation to the Equity Linked Redemption Amount] [and] [in relation to the payment of interest] [Not Applicable] ***[if not applicable, delete the remaining subparagraphs of this paragraph]***

(i) Share Basket Transaction: [Applicable] [Not Applicable] ***[weighting]***

(ii) Underlying Securities: ***[include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]***

[specify for each Underlying Security]

(a) Issuer(s):

(b) ISIN / Common Code:

(c) Related Exchange:

(d) Exchange:

(e) All Exchanges:

(iii) Formula to determine Equity Linked Redemption Amount:

(iv) Provisions where calculation by reference to the Underlying Securities and/or formula is impossible or impracticable:

- []
- (v) Provisions relating to the determination of the Reference Asset Amount: **[specify provisions]** [Not Applicable]
- (vi) Delivery Agent: **[specify name and address of delivery agent]**
- (vii) Clearing System for the delivery of the Underlying Securities: []
[]
- (viii) Disruption Cash Settlement Price: **[specify amount or formula]**
- (ix) Equity Valuation Date(s): []
[]
- (x) Equity Valuation Time: []
[]
- (xi) Details of any other relevant terms, any stock exchange requirement/ tax considerations: []
[]
- (xii) Method of calculating the Early Redemption Amount (other than following an Event of Default [or Tax Call]): []
[]
- (xiii) Protection Amount: [Protection of [the] [[]] per cent. of the [principal amount] [par value]/Not Applicable]
]
- (xiv) Extraordinary Event: [Cancellation and Payment] [Determination Agent Adjustment] **[Other (specify)]**
[
- (xv) Additional provisions: []
[]

PROVISIONS RELATING TO FUND LINKED [NOTES] [CERTIFICATES] [BONDS]

32. Fund Linked [Note] [Certificate] [Bond] Provisions:
- [Applicable [in relation to the Fund Linked Redemption Amount] [and] [in relation to the payment of interest] [Not Applicable] ***[if not applicable, delete the remaining subparagraphs of this paragraph]***
- []***[include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]***
- (i) Underlying:

[]

[]
 - (ii) Formula to determine Fund Linked Redemption Amount: []
 - (iii) Provisions where calculation by reference to the Underlying and/or formula is impossible or impracticable:

[]
 - (iv) Provisions relating to the determination of the Reference Asset Amount:

[]
[]
 - (v) Fund Valuation Date(s): []
 - (vi) Fund Valuation Time: []
 - (vii) Method of calculating the Early Redemption Amount (other than following an Event of Default [or Tax Call]): []
:
 - (viii) Protection Amount:

[]

[Protection of [the] [[] per cent. of the] [principal amount] [par value]/Not Applicable]
 - (x) Additional provisions: []

[]

PROVISIONS RELATING TO BOND LINKED [NOTES] [CERTIFICATES] [BONDS]

33. Bond Linked [Note] [Certificate] [Bond] Provisions: [Applicable [in relation to the Bond Linked Redemption Amount] [and] [in relation to the payment of interest]] [Not Applicable] ***[if not applicable, delete the remaining sub-paragraphs of this paragraph]***

[Applicable] [Not Applicable] ***[weighting]***

- (i) Bond Basket Transaction: [] ***[include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]***
- (ii) Underlying Securities:

[specify for each Underlying Security] []
[]

(a) Issuer(s): []

(b) ISIN / Common Code: []
[]

(c) Related Exchange: []
[]

(d) Options Exchange: []
[]

(e) All Exchanges: []

(iii) Formula to determine Bond Linked Redemption Amount: []

(iv) Provisions where calculation by reference to the Underlying Securities and/or formula is impossible or impracticable: []

(v) Provisions relating to the determination of the Reference Asset Amount: []

[specify provisions] [Not Applicable]

- (vi) Delivery Agent:

[specify name and address of delivery agent]
- (vii) Clearing System for the delivery of the Underlying Securities:

[]
- (viii) Disruption Cash Settlement Price:

[]
- (ix) Bond Valuation Date(s): **[specify amount or formula]**

[Angabe des Betrages oder der Formel]
- (x) Bond Valuation Time:

[]
- (xi) Details of any other relevant terms, any stock exchange requirement/ tax considerations:
[]
[]
- (xii) Method of calculating the Early Redemption Amount (other than following an Event of Default [or Tax Call]):

[]
- (xiii) Protection Amount:

[]
- (xiv) Extraordinary Event:

[]
- (xv) Additional provisions:

[]

[Protection of [the] [] % of the] [principal amount] [par value]/Not Applicable]
]

[Cancellation and Payment] [Determination Agent Adjustment] **[Other (specify)]**

[]
[]

PROVISIONS RELATING TO COMMODITY LINKED [NOTES] [CERTIFICATES] [BONDS]

- 34. Commodity Linked [Note] [Certificate] [Bond] Provisions: [Applicable [in relation to the Commodity Linked Redemption Amount] [and] [in relation to the payment of interest]] [Not Applicable] **[if not**

applicable, delete the remaining sub-paragraphs of this paragraph]

(i) Commodity: **[] [include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]**

**[]
[]**

(ii) Notional Quantity **[]
[]**

(iii) Trade Date:

(iv) Commodity Reference Price: **[specify one of the Commodity Reference Prices defined in the 2005 ISDA Commodity Definitions]**

(v) Price Source: **[]
[]
[[Bid] [Ask] [Average of high and low prices]]
[Morning fixing] [Other (specify)] [if appropriate, specify time as of which the price will be determined]**

(vi) Specified Price: **[specify whether price based on spot market,]**

**[]
[]**

(vii) Delivery Date: **[Applicable] [Not Applicable]**

(viii) Pricing Date: **[Applicable] [Not Applicable] [specify any applicable additional Commodity Market Disruption Events]**

Common Pricing:
[insert only in case of a Basket of Commodities]

(ix) Additional Commodity Market Disruption Events: **[Cancellation and Payment] [Determination Agent Adjustment] [Other (specify)]**

**[]
[]**

[Protection of [the] [] per cent. of the] [principal amount] [par value]] [Not Applicable]

(x) Extraordinary Event:

[]
[]

(xi) Commodity Business Day:

(xii) Protection Amount:

(xiii) Other Terms and Conditions:

PROVISIONS RELATING TO CURRENCY LINKED [NOTES] [CERTIFICATES] [BONDS]

35. Currency Linked [Note] [Certificate] [Bond] Provisions: [Applicable/Not Applicable]

(i) Relevant Currency: []***[include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]***

[Protection of [the] [] per cent. of the] [principal amount] [par value]] [Not Applicable]

(ii) Protection Amount: ***[insert description of the currency/other provisions]***

(iii) Additional Provisions:

PROVISIONS RELATING TO CREDIT LINKED [NOTES] [BONDS] [CERTIFICATES]

36. Credit Linked [Note][Bond][Certificate] Provisions: Applicable/ Not Applicable ***[if not applicable, delete the remaining subparagraphs of this paragraph]***

(i) Credit Events: [Insolvency/ Failure to Pay/Obligation Acceleration/Obligation Default/Repudiation/Moratorium/Restructuring/***specify other/insert specifications for the method of determination of occurrence of Credit Event, if any***]

Applicable/Not Applicable] ***[if applicable Specify***

in what role, e.g. as public source or instead of Determination Agent]

(ii) Credit Derivatives Determinations Committee: [Applicable/Not Applicable] ***[if applicable specify]***

[specify period]

(ii) Reference Period: [Applicable/Not Applicable]

:

(iii) Notice Delivery Period: []
[]

:

[]
[]

(iv) Notice of Publicly Available Information:

Obligation Category:
[Payment/Borrowed Money/ Reference Obligations Only/Bond /Loan/ Bond or Loan]

(v) Reference Entity:
:

Obligation Characteristics:
[Pari Passu Ranking/ Specified Currency/ Not Sovereign Lender/ Not Domestic Currency/ Not Domestic Law/ Listed/ Not Contingent]

(vi) Reference Obligation:

(vii) Obligation:

[insert Date/specify]

:

[insert Amount/specify]

[]
[]

(viii) Credit Event Redemption Date: []
[]

(ix) Credit Linked Redemption Amount:

(x) Grace Period:

[insert further or other definitions or

provisions, as the case may be, if necessary]

PROVISIONS RELATING TO EXCHANGEABLE [NOTES] [BONDS]

37. Exchangeable [Note] [Bond] Provisions: [Applicable] [Not Applicable] **[if not applicable, delete the remaining sub-paragraphs of this paragraph]**
- :
- (i) Share Basket Transaction: [Applicable] [Not Applicable] **[weighting]**
- (ii) Conversion Right of the [Noteholders] [Bondholders] [Certificateholders]: [Applicable] [Not Applicable]
- (iii) Reverse Conversion Right of the Issuer: [Applicable] [Not Applicable]
- (iv) Underlying Securities: **[specify number of Underlying Securities] [description of Underlying Securities][include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]**
- [name of issuer of underlying securities]**
- [specify ratio]**
- (v) Company: **[specify price]**
[
- (vi) Conversion Ratio: **[specify date]**
- (vii) Conversion Price: **[specify time]**
- (viii) Equity Valuation Date: []
[]
- (ix) Equity Valuation Time: **[specify name and address of delivery agent]**
- (x) Maturity Date:
- (xi) Delivery Agent: []
[]

[specify amount or formula]

(xii) Clearing System for the delivery of the Underlying Securities:

[Protection of [the] [] per cent. of the] [principal Amount] [par value] [Not Applicable]

(xiii) Disruption Cash Settlement Price:

(xiv) Protection Amount:

[Cancellation and Payment] [Calculation Agent Adjustment] [specify other consequence]

[]
[]

(xv) Extraordinary Event:

(xvi) Additional Provisions:

PROVISIONS RELATING TO [INTEREST] TRENDS- [NOTES] [CERTIFICATES] [BONDS]

38. [Interest] TRENDS-[Notes] [Certificates] [Bonds] Provisions:

[Applicable] [Not Applicable] [if not applicable, delete the remaining sub-paragraphs of this paragraph]

(i) Provisions relating to interest:

[Applicable] [Not Applicable] **[if applicable specify details]**

(ii) Interest Determination Dates:

[Applicable/Not Applicable] **[if applicable specify details]**

(iii) Interest Payment Dates:

[Applicable] [Not Applicable] **[if applicable specify details]**

(iv) Roll Period:

[Applicable] [Not Applicable] **[if applicable specify details]**

(v) Roll Date:

[Applicable] [Not Applicable] **[if applicable specify details]**

[specify] [include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]

(vi) Provisions relating to Redemption:

[specify]

[Not Applicable]

(vii) Provisions relating to Market Disruption:

[(viii) Further provisions and definitions:

PROVISIONS RELATING TO FX FAST [NOTES] [CERTIFICATES] [BONDS]

39. FX FAST [Notes] [Certificates] [Bonds] Provisions:

[Applicable] [Not Applicable] ***[if not applicable, delete the remaining sub-paragraphs of this paragraph]***

(i) Provisions relating to interest:

[Applicable] [Not Applicable] ***[if applicable specify details]***

(ii) Interest Payment Dates:

[Applicable] [Not Applicable] ***[if applicable specify details]***

(iii) Roll Date:

[Applicable] [Not Applicable] ***[if applicable specify details]***

(iv) Provisions relating to Redemption:

[specify] [include a clear and comprehensive explanation of how the value of the investment is affected by the underlying]

[specify]

(v) Provisions relating to Market Disruption:

[Not Applicable]

[(vi) Further provisions and definitions:

PROVISIONS RELATING DUAL CURRENCY [NOTES] [CERTIFICATES] [BONDS]

40. Provisions for Dual Currency [Notes] [Certificates] [Bonds]:

[Applicable] [Not Applicable] ***[if not applicable, delete the remaining sub-paragraphs of this paragraph]***

:

- (i) Rate of Exchange/ method of calculating Rate of Exchange:

[include details of where past and future performance and volatility of the relevant Rate of Exchange can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the Rate of Exchange/method of calculating Rate of Exchange]

[Name and address]

- (ii) Calculation Agent:

- (iii) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable:
:

- (iv) Person at whose option Specified Currency(ies) is/ are payable:

- (v) Additional Provisions:

PROVISIONS RELATING TO FUTURE LINKED [NOTES] [CERTIFICATES] [BONDS]

41. Future Linked [Note] [Certificate] [Bond] Provisions: [Applicable] [Not Applicable] ***[insert details]***

GENERAL PROVISIONS APPLICABLE TO THE [NOTES] [CERTIFICATES] [BONDS]

42. Form of [Notes] [Certificates] [Bonds]: Registered Form

43. Relevant Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable] ***[give details]***

44. Details relating to Partly Paid [Notes] [Certificates] [Bonds]: [Not Applicable] [**specify**]
45. Rebalancing: Not Applicable
46. Redenomination, renominalisation and reconventioning provisions: [Not Applicable] [**insert provisions**]
47. Consolidation Provisions: [Not Applicable] [**insert provisions**]
48. Additional Provisions: [Not Applicable] [**specify**]
49. Additional Tax Disclosure: [Not Applicable] [**give details in relation to each relevant jurisdiction**]

DISTRIBUTION

50. Method of Distribution: [Non-Syndicated] [Syndicated]
51. (i) If syndicated, names of Managers: [Not Applicable] [**specify names, addresses, and underwriting commitment the Managers; extra information will be required if placing is "best efforts"**]
- [Applicable] [Not Applicable] [**specify details**]
- (ii) Firm commitment: [Applicable] [Not Applicable] [**specify details**]
- (iii) No firm commitment/best efforts arrangement:
52. Commissions:
- (i) Management/Underwriting Commission: [none] [Available from the Issuer upon request]
- (ii) Selling Commission: [none] [Available from the Issuer upon request]

- (iii) Listing Commission: [none] **[specify]**
- (iv) Other: [none] **[specify]**
53. If non-syndicated, name of Manager: [Not Applicable] **[give names]**
54. Applicable TEFRA rules: [TEFRA D] [TEFRA C] [TEFRA not applicable]
55. Additional selling restrictions: [Not Applicable] **[give details]**
- [specify]
- [(j) Country: [Applicable] [Not Applicable] [Type [1] [2] **[(for issues in accordance with Regulation S and/or for Regulation D [Notes] [Certificates] [Bonds])]**
- [(ii) U.S. Commodities Restrictions:
56. Certification of non-U.S. status: [Applicable] [Not Applicable]

OPERATIONAL INFORMATION

57. ISIN: []
58. Common Code: []
59. Other Securities Code(s): []
60. Swiss Security number: []
61. (i) Clearing System(s): []
The Notes will be cleared through the CSD (Strate Proprietary Limited)
- (ii) Clearing System for delivery of the Underlying Securities:
- (iii) Physical Delivery: [Not Applicable] [Applicable]
62. Delivery:
63. Fiscal and Paying Agent: []
[]
64. Transfer Agent UBS South Africa (Pty) Ltd
65. Specified Office of Transfer Agent []
66. Paying Agent First Rand Bank Limited, acting through its division, First National Bank

67. Specified Office of the Paying Agent
68. Debt Sponsor
69. Issuer's Settlement Agent
70. Specified Office of Issuer's Settlement Agent
71. Additional Paying Agent(s) (if any): [Applicable] [Not Applicable] **[if applicable, names and addresses]**

72. Calculation Agent: UBS AG

73. Specified Office of Calculation Agent
UBS AG, Bahnhofstrasse 45
CH-8001 Zürich/
Aeschenvorstadt 1
CH-4051 Basle
acting through UBS AG, London Branch,
5 Broadgate, London, EC2M 2QS,
United Kingdom

APPLICABLE LAW AND JURISDICTION

74. Applicable law: English law
75. Place of jurisdiction: Courts of England

GENERAL PROVISIONS APPLICABLE TO THE NOTES

76. Last day to Trade (if listed on the Main Board of the JSE)

77. Record Date (if listed on the Main Board of the JSE)

78. Authorised Amount for Notes R. The authorised amount of the Programme has not been exceeded

79. Aggregate outstanding Notes in issue in respect of the Series on the Issue Date of this Tranche , excluding this Tranche of Notes to be issued in respect of the Series on the Issue Date

80. Additional Events of Default Not Applicable

81. Authorised Amount of Notes

82. Rating Agency [N/A]

83. Rating assigned to this Series [if any]

	[N/A]
84.Exchange control approval	[•]
85.Other provisions	[•]

Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of "the business of a bank" in the South African Banks Act, set out in Government Notice 2172 and published in Government Gazette 16167 of 14 December 1994 (the "Commercial Paper Regulations")

At the date of the Final Terms:

Paragraph 3(5)(a)

The ultimate borrower is [the Issuer].

Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is

Paragraph 3(5)(d)

As at the date of this issue:

- (a) [the Issuer has not issued any Notes/the outstanding nominal amount of all Notes issued by the Issuer is ZAR...; and
- (b) [it is not anticipated that the Issuer will issue additional Notes during the remainder of its current financial year/it is anticipated that the Issuer will issue additional Notes with an estimated nominal amount of ZAR... during the remainder of its current financial year ended ..., in addition to the Notes forming part of this issue of Notes].

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider the Final Terms, the Information Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Information Memorandum by reference and which may be requested from the Issuer.

Paragraph 3(5)(f)

[There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements/describe any such material adverse change].

Paragraph 3(5)(g)

The Notes issued will be listed on the Main Board of the JSE.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for

Paragraph 3(5)(i)

The Notes are [secured/unsecured].

Paragraph 3(5)(j)

[●], the auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all material respects with the relevant provisions of the Commercial Paper Regulations

Signed on behalf of the Issuer:

By: _____
Duly authorised

By: _____
Duly authorised

Name: _____

Name: _____

Date: _____

Date: _____

SETTLEMENT, CLEARING AND TRANSFER

Form of Notes

Each Tranche of Notes will be issued in registered form and will be listed on the Main Board of the JSE, will be issued in uncertificated form and held in the CSD subject to the immediately following paragraph. The CSD holds Notes subject to the Financial Markets Act and the Applicable Procedures.

A holder of Beneficial Interest may exchange such Beneficial Interest for Notes represented by an Individual Note Certificate.

Clearing Systems

Each Tranche of Notes will be listed on the Main Board of the JSE, will be cleared through the CSD which, as the operator of an electronic clearing system, has been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Each such Tranche of Notes will be issued, cleared and transferred in accordance with the Applicable Procedures. Each such Tranche of Notes will be cleared and settled through CSD Participants who will comply with the electronic settlement procedures prescribed by the JSE and the CSD. The Notes may be accepted for clearance through any additional clearing system.

CSD Participants

The CSD maintains accounts only for CSD Participants. As at the Programme Date, the CSD Participants which are approved by the CSD, in terms of the rules of the CSD, to perform electronic settlement of funds and scrip are Absa Bank Limited, Citibank N.A., FirstRand Bank Limited, Nedbank Limited, The South African Reserve Bank and The Standard Bank of South Africa Limited. Euroclear Bank S.A.IN.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, societe anonyme ("**Clearstream, Luxembourg**") will settle offshore transfers through their respective CSD Participants.

Beneficial Interests which are held by CSD Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such CSD Participants, through the central securities accounts maintained by the CSD for such CSD Participants. Beneficial Interests which are held by clients of CSD Participants will be held indirectly through such CSD Participants, and such CSD Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such CSD Participants for their clients. The clients of CSD Participants may include the holders of Beneficial Interests or their custodians.

The clients of CSD Participants, as the holders of Beneficial Interests or as custodians for such Noteholders, may exercise their rights in respect of the Notes held by them in the CSD only through their CSD Participants. Euroclear and Clearstream, Luxembourg may hold Notes through their respective CSD Participants.

Settlement and clearing

CSD Participants will be responsible for the settlement of scrip and payment transfers through the CSD, the JSE and the South African Reserve Bank.

Title to Beneficial Interests held by clients of CSD Participants will pass on transfer thereof by electronic book entry in the securities accounts of the clients with the CSD Participants. Title to Beneficial Interests held by CSD Participants will pass on transfer thereof by electronic book entry in the CSD Participants' central securities accounts with the CSD. Beneficial Interests may be transferred only in accordance with the Applicable Procedures.

Beneficial Interests may be exchanged for Notes represented by Individual Note Certificates

in accordance with Condition 1.2 (*Exchange of Beneficial Interest for an Individual Note Certificate*). While any tranche of Notes is held in the CSD, all amounts to be paid and all rights to be exercised in respect of the Notes in that tranche will be paid to and may be exercised only by the CSD for the holders of Beneficial Interests in the Notes in that tranche, in accordance with the Applicable Procedures.

None of the Issuer or the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Noteholders of Beneficial Interests vote in accordance with the relevant Applicable Procedures.

Upon settlement, the Issuer is responsible for settlement and not the JSE nor any other exchange.

JSE Guarantee Fund

Holders of South African Securities listed on the Main Board of the JSE will have recourse against the JSE Guarantee Fund only if such South African Securities are traded by or through members of the JSE (in accordance with the Applicable Procedures) through the CSD electronic settlement system.

Claims against the JSE Guarantee Fund (as defined in the JSE Main Board Listings Requirements) may only be made in respect of South African Securities listed on the Main Board of the JSE and only in accordance with the rules of the JSE Guarantee Fund. Claims can in no way relate to a default by the Issuer of its obligations in terms of the issue of the South African Securities by the Issuer.

Unlisted South African Securities may not be issued under the Programme save with the prior approval of the SARB. Holders of South African Securities that are not listed on the Main Board of the JSE (if any) will have no recourse against the JSE Guarantee Fund. Unlisted South African Securities are not regulated by the JSE.

SUBSCRIPTION AND SALE

Subscription

The Issuer may from time to time enter into an agreement with a Manager or Managers on the basis of which such Manager or Managers agree to purchase Notes.

Selling Restrictions

South Africa

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Manager for that Tranche of Notes will be required to represent and agree that it will not offer or solicit any offers for subscription or sale of the Notes in that Tranche of Notes, and will itself not sell Notes, in South Africa except, in accordance with the Companies Act, the Banks Act, 1990, the Exchange Control Regulations and/or any other applicable laws or regulations of South Africa in force from time to time. In particular, without limitation, the Information Memorandum does not, nor is it intended to, constitute a registered prospectus (as that term is defined in the Companies Act) and each Manager for that Tranche of Notes will be required to represent and agree that it will not make "an offer to the public" (as that term is defined in the Companies Act) of any of the Notes (whether for subscription or sale). Notes will not be offered for subscription to any single addressee acting as principal for an amount of less than R1 000 000.

United States of America

The Notes have not been and will not be registered under the United States Securities Act, 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account of 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.

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Manager for that Tranche of Notes will be required to represent and agree that:

- (i) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (ii) it has not offered, sold or delivered any Notes in that Tranche, and will not offer, or sell or deliver, any Notes within the United States except in accordance with Rule 903 of Regulation S under the Securities Act or pursuant to an available exemption from the registration requirements of the Securities Act; and;
- (ii) it, its affiliates and any persons acting on its or any of its affiliates' behalf have not engaged and will not engage in any directed selling efforts with respect to the Notes in that Tranche and it, its affiliates and any persons acting on its or any of its affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.

United Kingdom

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Manager for that Tranche of Notes will be required to represent and agree that:

- (i) No deposit-taking: in relation to any of the Securities in that Tranche which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for

the purposes of its business and (ii) it has not offered or sold, and will not offer or sell, any Notes in that Tranche other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Securities would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act, 2000 (the "**FSMA**") by the Issuer;

- (ii) Financial promotion: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) General compliance: it has complied with and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the prospectus directive (each, a "**Relevant Member State**"), each of the Issuer and Manager (s) has represented and agreed that, with effect from and including the date on which the prospectus directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made, and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) any time to fewer than 150 natural or legal persons (other than qualified investors defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive, or pursuant to any applicable national law of any Relevant Member State.

provided that no such offer of the Notes referred to in (a) to (c) above shall require the Issuer or any Manager to publish a prospectus pursuant to article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

General

Prior to the issue of any Tranche of Notes under the Programme, each Manager for that Tranche of Notes will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures subscriptions for, offers or sells Notes in that Tranche or has in its possession or distributes the Information Memorandum and will obtain any consent, approval or permission required by it for the purchase,

subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscriptions, offers or sales.

Each Manager for a Tranche of Notes will be required to represent and agree that it will comply with such other or additional restrictions in relation to that Tranche of Notes as the Issuer and such Manager agree and as are set out in the Final Terms.

Neither the Issuer nor any of the Managers represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder or assumes any responsibility for facilitating such subscription or sale.

TAXATION

The Issuer makes no representation and gives no warranty, or undertaking, express or implied, and accepts no responsibility for the accuracy or completeness of the information contained in this section.

Taxation in South Africa

The information below is intended to be a general guide to the relevant laws of South Africa and is not intended as comprehensive advice and does not purport to describe all of the considerations that may be relevant to a prospective purchaser of, or subscriber for, Notes. Prospective purchasers of, or subscribers for, Notes should consult their own professional advisers with regard to the purchase of or subscription for, Notes and the tax implications thereof. The information contained below sets out guidelines on the current position regarding South African taxation for taxpayers who hold Notes as capital assets. Prospective purchasers of, or subscribers for, Notes should consult their own advisers.

Withholding Tax

South Africa levies a withholding tax on interest paid to or for the benefit of a tax non-resident to the extent that the interest is sourced in South Africa in terms of section 50B(1) of the Income Tax Act, 1962 ("Income Tax Act"). Subject to certain exemptions, the withholding tax will be levied at a rate of 15%. The rate of this withholding tax may be reduced to the extent that any relevant double taxation treaty applies. There is also an exemption for interest paid in respect of any debt instrument listed on a recognised exchange. Should the Notes be listed on the JSE (which constitutes a recognised exchange), the exemption should be available, subject to any amendments to the legislation, and interest paid by the relevant Issuer will not be subject to withholding tax.

Section 9(2)(b) of the Income Tax Act, 1962 deems interest to be from a source in South Africa to the extent that the interest is (i) incurred by a resident, unless the interest is attributable to a permanent establishment which is situated outside the Republic, or (ii) received or accrued in respect of any funds used or applied in the Republic.

To the extent that interest is earned from a source outside of South Africa, under current taxation law in South Africa, all payments made under the Notes to non-resident Noteholders will be made free of withholding or deduction for or on account of any taxes, duties, assessments or governmental charges in South Africa.

Under current taxation law in South Africa, all payments made under the Notes to resident Noteholders will be made free of withholding or deduction for or on account of any taxes, duties, assessments or governmental charges in South Africa.

Non-residents: Income Tax

South Africa imposes income tax on non-residents in respect of South African sourced income, unless an exemption is available. To the extent that interest is deemed to be sourced in South Africa non-residents should be exempt from income tax on the interest earned from a South African source in terms of section 10(1)(h), unless they (i) are natural persons who are physically present in South Africa for a period exceeding 183 days in the aggregate during the relevant year of assessment, or (ii) carried on business through a permanent establishment in South Africa at any time during the relevant year of assessment.

If the Notes are held on capital account, the sale of the Notes by a non-resident will only be subject to capital gains tax in South Africa if the Notes are attributable to a permanent establishment of that person in South Africa or constitute any interest in or right of whatever nature to or in immovable property situated in South Africa. This treatment is subject to the provisions of any applicable tax treaty.

To the extent that interest is sourced from a source other than South Africa, non-resident holders of Notes should not fall within the ambit of current South African tax legislation.

Residents: Income Tax:

Interest received by or accruing to South African tax residents holding the Notes will be subject to income tax in such holders' hands (subject to certain qualifying persons being exempt from income tax and further subject to certain nominal exemptions for natural persons). The interest accrual must be determined in accordance with the relevant provisions of the Income Tax Act. The Income Tax Act requires that any accrued interest (whether received or not) as well as any premium or discount on the issue and/or redemption of the Notes as interest. The tax accrual of such interest must be spread over the term of the Notes using the yield to maturity or an acceptable alternative methodology as set out in the Income Tax Act.

To the extent that the interest received or accrued to residents is from a source outside of South Africa, residents may be entitled to relief in terms of an applicable tax treaty or in terms of section 6quat in respect of any foreign taxes incurred on the interest.

Securities Transfer Tax

The issue, transfer and redemption of the Notes will not attract securities transfer tax under the Securities Transfer Tax Act, 2007. Any future transfer duties and/or taxes that may be introduced in respect of (or applicable to) the transfer of Notes will be for the account of Noteholders.

Value-Added Tax

No value-added tax ("VAT") is payable on the issue, transfer and redemption of Notes.

Taxation in Switzerland

The following is a generic summary only of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of the Notes issued under this Information Memorandum. Because this summary does not address all tax considerations under Swiss law and as the specific tax situation of an investor cannot be considered in this context, potential investors are recommended to consult their personal tax advisors as to the tax consequences of the purchase, ownership, sale or redemption of and the income derived from the Notes issued under this Information Memorandum including, in particular, the effect of tax laws of any other jurisdiction.

The Swiss Federal Tax Administration has issued on 7 February 2007 a Circular Letter No. 15 regarding Certificates and Derivative Financial Instruments subject to Direct Federal Tax, Withholding Tax and Stamp Tax. The Notes issued under this Information Memorandum will be taxed in accordance with this Circular Letter No. 15 and its appendices. Depending on the qualification of the relevant Note by the competent Swiss tax authorities the taxation of each Note may be different.

The taxation depends on the set-up of each single Note for which reason the following remarks are again only of generic nature.

Income Tax

For private investors resident in Switzerland holding the Notes (understood as the right but not the obligation of the holder which it acquired against consideration to buy or sell a specific amount of a certain underlying at or until a fixed date at an agreed price) as private assets any capital gains realized in relation to such Notes are in principle not subject to individual income tax in Switzerland. However, Low Exercise Price Options in the sense of the practice

of the Swiss Federal Tax Administration (defined as an option with a tenor of more than 12 months and a strike price of less than half of the market value of the underlying at issuance) are an exception to the before-mentioned principle in that an interest component is taxable at redemption or at exercise.

For individual investors resident in Switzerland holding the Notes as business assets as well as for Swiss corporate investors, capital gains realized upon a sale, re-evaluation or redemption of such Notes are in principle subject to either Swiss individual income tax with respect to an individual investor resident in Switzerland holding the Notes as business assets or subject to Swiss corporate income tax with respect to a corporate investor resident in Switzerland.

If the Notes are combined with other financial instruments ("Structured Products"; e.g. combination of a Note with a bond for a capital protected Note) the taxation is different and depends on the set-up of each single Structured Product for which reason the following remarks are again only of generic nature.

For private investors resident in Switzerland holding the Structured Products as private assets capital gains realized are in principle Swiss individual income tax exempt whereas investment income (such as, in particular but not limited to, interest, dividends etc.) deriving from the Structured Products is subject to Swiss personal income tax. For individual or corporate investors resident in Switzerland holding the Structured Products as business assets, capital gains realized upon a sale, exchange, redemption or re-evaluation of the Structured Products or income derived from Structured Products, irrespective of whether such income stems from investment income or capital gains, are in principle subject to either Swiss individual income tax with respect to an individual investor resident in Switzerland holding the Structured Products as business assets or subject to Swiss corporate income tax with respect to a corporate investor resident in Switzerland.

Withholding Tax

In principle profits derived from transactions in Notes are not subject to Swiss Withholding Tax.

If the Notes are combined with other financial instruments ("Structured Products"; e.g. combination of a Note with a bond for a capital protected Note) the taxation is different and depends on the set-up of each single Structured Product for which reason the following remarks are again only of generic nature.

The Swiss Withholding Tax is in principle levied on income (such as, but not limited to, interest, pensions, profit distributions etc.) from, amongst others, bonds and other similar negotiable debt instruments issued by a Swiss tax resident ("Inländer"), distributions from Swiss tax resident corporations, interest on deposits with Swiss banks as well as distributions of or in connection with Swiss tax resident collective investment schemes. For Swiss Withholding Tax purposes, an individual or corporation qualifies as a Swiss tax resident ("Inländer") being subject to withholding taxation if it (i) is resident in Switzerland, (ii) has its permanent abode in Switzerland, (iii) is a company incorporated under Swiss law having its statutory seat in Switzerland, (iv) is a company incorporated under foreign law but with a registered office in Switzerland, or (v) is a company incorporated under foreign law but is managed and conducts business activities in Switzerland. Hence, as long as the Structured Products are not issued by an issuer qualifying as a Swiss tax resident for the purposes of the Swiss Withholding Tax, income derived from the Structured Products is in principle not subject to Swiss Withholding Tax.

The Swiss Federal Council proposed draft legislation as part of the Swiss TBTF (Too Big To Fail) legislation. For bonds, this draft legislation foresees a shift from the current source withholding tax system to a paying agent tax system with regard to interest payments. According to the current practice of the Swiss Federal Tax Administration certain Structured Products qualify as bonds. Therefore, if this legislation is enacted, Swiss paying agents such as banks in Switzerland would be required to deduct Swiss withholding tax at a rate of 35 per

cent on certain payments to certain investors irrespective of the fact whether the Structured Products are issued by UBS AG Switzerland or a foreign branch of UBS AG. According to the draft legislation Swiss paying agents would be required to deduct a Swiss paying agent tax on interest paid on bonds to Swiss-resident individuals as final recipients. For the time being not all relevant details of the proposed regime are published.

Neither the Issuer nor any other person would pursuant to the Terms and Conditions of the Notes or Structured Products be obliged to pay additional amounts with respect to any Note or Structured Product as a result of the deduction or imposition of such Swiss Withholding Tax.

Transfer and Issue Stamp Tax

Swiss Stamp Tax is, amongst other, either levied as securities transfer tax or as issuance tax.

In principle Notes do not qualify as taxable securities for Swiss Stamp Tax purposes. They are in principle neither subject to Swiss Transfer Stamp Tax nor to Issuance Stamp Tax.

If, however, the Notes are combined with other financial instruments ("Structured Products"; e.g. combination of a Note with a bond for a capital protected Note) the taxation is different and depends on the set-up of each single Structured Product for which reason the following remarks are again only of generic nature. Further, Low Exercise Price Options in the sense of the practice of the Swiss Federal Tax Administration (defined as an option with a tenor of more than 12 months and a strike price of less than half of the market value of the underlying at issuance) do qualify as taxable securities and are subject to Swiss Transfer Stamp Tax.

Swiss Transfer Stamp Tax is levied on the transfer of ownership against consideration of certain taxable securities if a Swiss securities dealer in the sense of the Swiss Stamp Tax Act is involved in the transaction and no exemption applies. This tax levy applies in particular to Structured Products which include a bond component or which qualify as instruments similar to a collective investment scheme or as shares and share-like instruments as per the practice of the Swiss Federal Tax Administration. If shares or other taxable securities are delivered to the investor at redemption or due to an exercise right, the delivery of the Note may be subject to Swiss Transfer Stamp Tax.

Swiss Issuance Stamp Tax is levied on the issuance of Swiss shares and similar participation rights. For Swiss Stamp Tax purposes, an individual or corporation qualifies as a Swiss tax resident ("Inländer") being subject to Swiss Stamp Tax if it (i) is resident in Switzerland, (ii) has its permanent abode in Switzerland, (iii) is incorporated under Swiss law and having its statutory or legal seat in Switzerland or (v) if it is registered as an enterprise with the Swiss register of commerce. Hence, as long as the Notes are not issued by an issuer qualifying as a Swiss tax resident they are not subject to Swiss Issuance Stamp Tax.

Measures equivalent to the EU Savings Directive

Switzerland has introduced a tax retention (withholding tax) of 35% pursuant to the agreement between the European Community and the Swiss Confederation providing for measures equivalent to those laid down in the Council Directive 2003/48/EC on taxation of savings income in the form of interest payments effective as of 1 July 2005 on interest payments or similar income paid by a Swiss paying agent to an individual resident in an EU Member State, unless the interest payments are made as debt-claims issued by debtors who are residents of Switzerland or pertaining to permanent establishments in Switzerland of non-residents.

The beneficial owner may avoid the retention by expressly authorizing the paying agent in Switzerland to report the interest payments. If the paying agent receives such an authorisation, he reports the interest payment to the Swiss Federal Tax Administration which in turn communicates the information to the competent authority of the EU Member State of residence of the beneficial owner.

Bilateral agreements (Quellensteuerabkommen)

Switzerland has signed agreements on a final withholding tax (Quellensteuerabkommen) with the United Kingdom and with Austria. Furthermore, it is expected that Switzerland will sign similar agreements with other countries in the near future. According to these agreements, qualifying Swiss paying agents levy a final withholding tax on any investment income if the Notes or the Structured Products are held in custody account with a qualifying Swiss paying agent and if the custody account is directly or indirectly owned by an individual resident in the other contracting state (e.g. Austria). The applicable final withholding tax rate may vary depending on the applicable tax rate in the other contracting state and the type of realised investment income (dividend, interest, capital gain, etc.). Furthermore, the calculation of the income subject to a final withholding tax may vary depending on the applicable agreement. A person subject to a final withholding tax ("Relevant Person") may avoid such final withholding tax by expressly allowing the qualifying Swiss paying agent to report to the foreign tax authorities in the state of residence of the Relevant Person, amongst others, the identity of the Relevant Person and the amount the realised investment income in a certain period.

Taxation in the United Kingdom

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current law and practice in the United Kingdom relating only to the United Kingdom withholding tax treatment of payments in respect of Notes. The following does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. Potential investors who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

Payment of interest on Notes

(i) Payments of interest by the Issuer

The Issuer, provided that it 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 Notes is paid in the ordinary course of its business within the meaning of section 878 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

(ii) Payments of interest in respect of Notes which are listed on a recognised stock exchange

Payments of interest under Notes may be made without withholding or deduction for or on account of United Kingdom tax in the event that Notes are and remain "listed on a recognised stock exchange", as defined in section 1005 of the Act. Notes will be "listed on a recognised stock exchange" where they are (1) admitted to trading on a "recognised stock exchange", as defined in section 1005 of the Act and (2) included in the official UK list or officially listed in a "qualifying country outside the United Kingdom", as defined in section 1005 of the Act, in accordance with the provisions corresponding to those generally applicable in EEA states.

Provided, therefore, that the Notes are and remain "listed on a recognised stock exchange", interest on such Notes will be payable without withholding or deduction for or on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

(iii) Notes with a maturity of less than 365 days

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

(iv) Payments under Notes

Payments under Notes which do not amount to interest or annual payments (and are not treated as, or as if they were, interest or annual payments for United Kingdom tax purposes) may be made without any withholding or deduction for or on account of United Kingdom tax.

In addition, the Issuer should not be required to withhold or deduct sums for or on account of United Kingdom income tax from payments under Notes that are treated as derivative contracts for the purposes of Part 7 of the Corporation Tax Act 2009.

(v) Other withholdings

In all other cases, an amount may have to be withheld from payments on the Notes for or on account of United Kingdom income tax at the basic rate (currently 20 per cent.), if those payments constitute interest or annual payments for UK tax purposes, subject to any direction to the contrary by HMRC under an applicable double taxation treaty.

(vi) Information Reporting

Holders should note that, in certain circumstances, HMRC has 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 or credits interest to or receives interest for the benefit of a holder of the Notes. In certain circumstances, the information so obtained may be passed by HMRC to the tax authorities of certain other jurisdictions.

For the above purposes, "interest" should be taken, for practical purposes, as including payments made by a guarantor in respect of interest on Notes.

The provisions referred to above may also apply, in certain circumstances, to payments made on redemption of any Notes which constitute "deeply discounted Notes" as defined for the purposes of Schedule 23, Finance Act 2011 (although, in this regard, HMRC published guidance for the year 2013/2014 indicates that HMRC will not exercise its power to obtain information in relation to such payments in that year).

Reference is made to "EU Directive on the Taxation of Savings Income" at paragraph 8 of this "Taxation" section. The United Kingdom is one of the EU Member States that will provide to the tax authorities of another Member State (and certain non-EU countries and associated territories referred to in that directive) the details of payments of interest or other similar income paid or secured by a person (as a paying agent or a receiving agent) within the United Kingdom to an individual (and certain other non-corporate, residual entities) resident in that other Member State (or non-EU country or associated territory).

(vii) Other Rules Relating to United Kingdom Withholding Tax

Notes may be issued at an issue price of less than 100 per cent of their principal amount. Any discount element on any such Notes will not generally be subject to any United Kingdom withholding tax pursuant to the provisions mentioned above, but may be subject to the reporting requirements outlined above.

Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements as outlined above.

Where interest has been paid under deduction of United Kingdom income tax, holders of the Notes who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to "interest" above mean "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the Terms and

Conditions of the Notes or any related documentation. Holders of the Notes should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes which does not constitute "interest" or "principal" as those terms are understood in United Kingdom tax law. Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment or a manufactured payment for United Kingdom tax purposes (which will be determined by, amongst other things, the Terms and Conditions of the Notes). In such a case, the payment may fall to be made under deduction of United Kingdom tax (the rate of withholding depending on the nature of the payment), subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

SOUTH AFRICAN EXCHANGE CONTROL

The Issuer makes no representation and gives no warranty or undertaking, express or implied, and accepts no responsibility for the accuracy or completeness of the information contained in this section.

The information below is not intended as advice and it does not purport to describe all of the considerations that may be relevant to a prospective purchaser of or subscriber for, Notes. Prospective purchasers of, or subscribers for, Notes who are non-South African residents or who are emigrants from the Common Monetary Area (as defined below) should obtain further professional advice in regard to the purchase of or subscription for, Notes.

Blocked Rand

"Blocked Rand" means those funds which, in terms of the Exchange Control Regulations, may not be remitted out of South Africa or paid into a non-South African resident's bank account.

Emigrants from the Common Monetary Area

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the CSD and the emigrant's CSD Participant, the securities account of such emigrant will be designated as an "*emigrant*" account. Any Individual Note Certificates issued to Noteholders will be restrictively endorsed "*non-resident*". Such restrictively endorsed Individual Note Certificates shall be deposited with an authorised foreign exchange dealer controlling such emigrant's blocked assets. Emigrants will be entitled to use Blocked Rand for the purchase of, or subscription for, Notes.

Any payments of principal due to an emigrant Holder in respect of Notes will be deposited into such emigrant's Blocked Rand account with the authorised foreign exchange dealer controlling such blocked assets. These amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

Non-residents of the Common Monetary Area

Any Individual Note Certificate issued to Noteholders who are not resident in the Common Monetary Area will be endorsed "*non-resident*". In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the CSD and the non-resident's CSD Participant, the securities account of such Holder will be designated as a "*non-resident*" account.

It will be incumbent on any such non-resident to instruct the non-resident's nominated authorised foreign exchange dealer as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa and provided that the relevant Individual Note Certificates or the relevant securities account, as the case may be, is designated "*non-resident*".

Inward Listing

Notes will be issued in compliance with the exchange control approval (application number 3522) granted by the SARB received by the Issuer, acting through UBS AG, London Branch, on 17 October 2012, as updated from time to time.

Save as disclosed in the Final Terms, the issue and listing of the Notes will be an approved inward listing.

In terms of the SARB approval, Equity Linked Notes listed by the Issuer on the JSE will be regarded as domestic assets from an exchange control point of view. The underlying securities in respect of such Equity Linked Notes must be listed on the JSE, classified as domestic, be unencumbered and not used in security lending arrangements. The price of the Notes must be paid into a restricted Rand account and may be utilised to purchase the underlying securities.

"Common Monetary Area" means South Africa, Lesotho, Namibia and Swaziland.

Authorised Amount

As at the Programme Date, Notes may be issued in an aggregate nominal amount of not more than ZAR14 billion. As at the Programme Date, there is no restriction on the period over which the Notes may be issued or the maturities of the Notes.

DESCRIPTION OF UBS AG

The description of UBS AG, as contained in the "Registration Document relating to UBS AG dated 27 November 2018", as supplemented and/or replaced from time to time, is incorporated by reference into this Information Memorandum, as set out above under "Documents Incorporated by Reference".

GENERAL INFORMATION

Managers

UBS South Africa (Proprietary) Limited and any additional Manager(s) appointed by the Issuer either in respect of one or more Tranches or in respect of the whole Programme (each a "Manager" and together, the "Managers"). The Issuer may from time to time terminate the appointment of any Manager under the Programme.

Distribution

Notes may be distributed, as specified in the Final Terms, by way of public offer or private placement.

Use of Proceeds

For the purposes of the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of "the business of a bank" in the South African Banks Act, set out in Government Notice 2172 and published in Government Gazette 16167 of 14 December 1994 (the "Commercial Paper Regulations"), it is recorded that the "Ultimate Borrower", as defined in the Commercial Paper Regulations, of the net proceeds from the issue of each Tranche of South African Securities will be the Issuer.

The net proceeds of each issue of Notes will be used in the general business of the Issuer or as may otherwise be described in the Final Terms, and in compliance with the approval granted by the SARB.

Language of the Information Memorandum

This Information Memorandum has been drafted in the English language, and subject to the following paragraph, the English language shall be the prevailing language of this Information Memorandum.

Approval and Listing

This Information Memorandum was approved by the JSE, with effect from the Programme Date. Subject to approval of the SARB and as provided herein, the Issuer may issue listed Notes under the Programme. Notes issued pursuant to this Information Memorandum, will be listed on the Main Board of the JSE.

Corporate Governance

The Company Secretary of the Issuer is Mr Markus Baumann, with the following address UBS AG, Bahnhofstrasse 45, CH-8098, Zurich.

The King Report on Governance for South Africa and the King Report and Code of Governance Principles (the "King IV Code") apply to entities incorporated and resident in South Africa. The Issuer is incorporated in Switzerland. Accordingly, the King IV Code is not applicable to the Issuer and the Issuer does not comply with the King IV Code. The Issuer is subject to, and acts in compliance with, all relevant Swiss legal and regulatory requirements regarding Corporate governance, including the SIX Swiss Exchange's (SIX) Directive on Information Relating to Corporate Governance, as well as the standards established in the Swiss Code of Best Practice for Corporate Governance. Please refer to the Issuer's Annual Report in relation to its corporate governance compliance, at the following web address <https://www.ubs.com/global/en/investor-relations/financial-information/annual-reporting/2018.html>.

Commercial Paper Regulations

The issue of each tranche of Notes under the Programme, pursuant to the Information Memorandum, must comply with the Commercial Paper Regulations. Where, in relation to the issue of any such Tranche of Notes, this Information Memorandum and/or the relevant Final Terms is distributed and/or made available for inspection in South Africa, a copy of the Issuer's most recently published audited financial statements will at all times separately accompany this Information Memorandum and/or the relevant Final Terms, as required by the Commercial Paper Regulations.

Litigation

As at the date of this Information Memorandum, except as disclosed:

- (i) in the section "Litigation, regulatory and similar Matters" of the Registration Document of UBS AG dated 27 November 2018 which is available at <https://keyinvest-za.ubs.com/legaldocuments>;
- (ii) in the section "Litigation, regulatory and similar matters" of the 2018 Annual Report of UBS AG and UBS Group AG which is available at <https://www.ubs.com/global/en/investor-relations/financial-information/annual-reporting/2018.html>;
- (iii) in the section "Litigation, regulatory and similar matters" of the UBS AG first quarter 2019 financial report which is available at <https://www.ubs.com/global/en/investor-relations/financial-information/quarterly-reporting/2019.html>;
- (iv) in the section "Litigation, regulatory and similar matters" of the UBS AG second quarter 2019 financial report which is available at <https://www.ubs.com/global/en/investor-relations/financial-information/quarterly-reporting/2019.html>,

the Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administrative or other proceedings, including any proceedings that are pending or threatened, if any, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the financial position of the Issuer.

Material Change

As at the date of this Information Memorandum, following due and careful enquiry, there has been no material change in the financial or trading position of the Issuer and its subsidiaries that has occurred since the date of its last published interim financial statements. No auditors have been involved in making such statement.

Authorisation

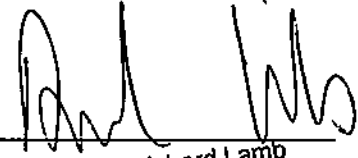
All consents, approvals, authorisations or other orders of any applicable regulatory authorities required by the Issuer, including under the laws of South Africa, where applicable, have been given in respect of the Programme, the execution of this Information Memorandum and, subject to the Final Terms, the issue of Notes under the Programme pursuant to the Information Memorandum. The issuance of Notes under the Programme from time to time has been authorised by applicable corporate authorisations.

Third Party Information

Where information has been sourced from a third party, confirmation is given that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of information is set out where the relevant Information is given. The Issuer has neither independently verified any such information, nor accepts any responsibility for error or omission made in the source itself.

SIGNED at _____ on 16 September 2019.

For and on behalf of UBS AG (as Issuer)

Name: 
Richard Lamb
Managing Director
Sales & Trading Legal

Name: 
Peter Stickland
Executive Director
Sales & Trading Legal

Richard Lamb
Capacity: Managing Director
Sales & Trading Legal

Signature: _____

Peter Stickland
Capacity: Executive Director
Sales & Trading Legal

Signature: _____

ADDRESS LIST

ISSUER	LONDON OFFICE OF THE ISSUER
UBS AG	UBS AG, LONDON BRANCH
Address: Bahnhofstrasse 45, 8001 Zurich, Switzerland and Aeschenvorstadt 1 4051 Basle Switzerland	Address: 5 Broadgate London EC2M 2QS United Kingdom

ARRANGER

UBS SOUTH AFRICA (PTY) LTD

Address: 64 Wierda Road East
Sandton
South Africa, 2196

**LEGAL ADVISORS TO THE ISSUER AS TO
SOUTH AFRICAN LAW**

WEBBER WENTZEL

Address: 90 Rivonia Road
Sandton
Johannesburg 2196

AUDITORS TO THE ISSUER

ERNST & YOUNG LTD.

Address: Aeschengraben 9
CH-4002, Basel
Switzerland