



**INDEX-LINKED NOTES
PRODUCT SUPPLEMENT**

(To the Base Offering Memorandum dated May 30, 2013)

**NATIXIS
(as Issuer)
NATIXIS US MEDIUM-TERM NOTE PROGRAM LLC
(as Issuer)**

**Notes Guaranteed By
NATIXIS, NEW YORK BRANCH**

Natixis, a French incorporated company (*société anonyme*) (“**Natixis**” or the “**Bank**”) and Natixis US Medium-Term Note Program LLC, a Delaware limited liability company (the “**LLC**” and, together with the Bank, the “**Issuers**” and each an “**Issuer**”), and a wholly-owned subsidiary of the Bank may issue notes (the “**Notes**”) from time to time on a continuous basis in one or more series (each, a “**Series**”). Each Series of Notes will be issued by either the Bank or the LLC. The Notes will be entitled to the benefit of an unconditional guarantee (the “**Guarantee**”) of the due payment of principal, interest and other amounts due in respect thereof, issued by the New York Branch of the Bank (in such capacity, the “**Guarantor**”).

The Issuers may from time to time issue Notes linked to the performance of an index or a basket of indices of equity securities listed on one or more stock exchanges, published by one or more index sponsors. The amount of interest and/or principal payable on such Notes, and the date or dates on which such interest and/or principal will be payable, will depend on the level of the relevant index or basket (or of a particular index or indices in the basket) on one or more dates during the period between the issuance and the maturity date of such Notes. This product supplement includes information on Notes that are linked to an index or indices and provides separate terms and conditions for Notes that are linked to a single index and Notes that are linked to a basket of indices.

The specific terms applicable to the Notes of each Series will be set forth in a pricing supplement that the relevant Issuer will prepare for such Series. The pricing supplement may contain additional information about the hypothetical performance of the Notes of each Series and related risk factors, as well as information on the underlying index or basket of indices. A pricing supplement may be issued in preliminary form (with pricing information to be completed) in connection with the offering of Notes. The final form of the pricing supplement is referred to as the “**Pricing Supplement**.”

This product supplement is a supplement to the base offering memorandum dated May 30, 2013 (the “**Base Offering Memorandum**”), which contains additional information relating to the Notes, the Issuers and the Guarantor, including risk factors applicable to them.

The Issuers do not expect to apply to list the Notes on any exchange, unless otherwise stated in the applicable Pricing Supplement.

Investing in the Notes involves a number of risks. See “Risk Factors Relating to the Notes” beginning on page 6 of this Product Supplement, and “Risk Factors” beginning on page 12 of the Base Offering Memorandum, as well as any section entitled “Risk Factors” or the equivalent in the preliminary or final Pricing Supplement for a Series of Notes.

The Notes and the Guarantee have not been registered under the Securities Act of 1933 (the “Securities Act”) in reliance on the exemption from registration provided by Section 3(a)(2) of the Securities Act.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of the Notes or determined that this Product Supplement and the accompanying Base Offering Memorandum are truthful or complete. Any representation to the contrary is a criminal offense. Under no circumstances shall this Product Supplement or the accompanying Base Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Notes, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction.

The Notes constitute unconditional liabilities of the relevant Issuer, and the Guarantee constitutes an unconditional obligation of the Guarantor. None of the Notes or the Guarantee is insured by the Federal Deposit Insurance Corporation. The relevant index sponsor or sponsors will not be involved in any way in the offering of any Notes and will not have any obligations relating to the Notes or to holders of the Notes.

NATIXIS

The date of this Product Supplement is May 30, 2013.

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SUMMARY INFORMATION — Q&A

Reference herein to “we” is to the relevant Issuer only.

What Are the Notes?

The Notes are obligations of the relevant Issuer, to be issued as part of the U.S. Medium Term Note Program of the Issuers. However, when we refer to “**Notes**” in this Product Supplement, we mean Notes that are linked to the performance of an index or a basket of indices of equity securities listed on one or more stock exchanges, published by one or more index sponsors (we refer to the index or basket of indices applicable to a Series of Notes as the “underlying benchmark”). More specifically, the level of the relevant index or basket of indices (or of particular indices within a basket) will be used (generally in comparison to a base, or “strike” level) to determine some or all of the following:

- The amount of principal you will be paid at maturity.
- Whether you receive periodic interest payments, and if so how much you receive.
- Whether the Notes will be redeemed prior to maturity, and if so whether this is automatic, at the Issuer’s option or at your option.
- Whether the formulas used to determine principal and/or interest payments will change during the life of the Notes.

Are There Any Risks Associated With My Investment?

Yes, the Notes are subject to a number of risks. They are complex instruments and may not be suitable investments for certain investors. Please refer to the section “Risk Factors Relating to the Notes” in this Product Supplement.

What is Principal Amount that Will Be Paid at Maturity?

The principal amount that will be paid at maturity may be calculated by using a formula or methodology applied to the underlying benchmark, as described in the applicable Pricing Supplement. If specified in the applicable Pricing Supplement, the Notes of a particular Series may be “principal protected,” which means that at maturity (but, for the avoidance of doubt, not in case of early redemption), subject to the credit risk of the relevant Issuer and the Guarantor, you will receive at least the principal amount of your Notes. All other Notes will not be “principal protected,” meaning that you may receive less than the principal amount of your Notes.

Will I Receive Periodic Interest Payments on the Notes?

The Notes may pay periodic interest based on a fixed rate, variable rate, floating rate, indexed rate or any combination thereof (if so specified in the applicable Pricing Supplement). Any of such rates may be adjusted by applying a specific spread. Any variable rate, floating rate or indexed rate may be calculated by using a formula or methodology, as described in the applicable Pricing Supplement (generally using interest rate calculation methodologies set forth in the Base Offering Memorandum). Unless otherwise specified in the applicable Pricing Supplement, the periodic interest or coupon will not be compounded.

In addition, your right to receive some or all of the interest on a Series of Notes may depend on whether the level of the underlying benchmark is above or below a specified level on a given date or on average over a specified period. If so, the relevant formula will be set forth in the Pricing Supplement.

Can the Notes be called before maturity? If so, what will I receive?

If specified in the relevant Pricing Supplement, the Notes of a Series may be redeemed prior to maturity. Depending on the terms of the Series, early redemption may be at the relevant Issuer’s option, at the option of the holders or

automatic upon the occurrence of certain events (such as the level of the underlying benchmark being greater than or less than a specified level). The Issuer may also redeem the Notes before maturity on the occurrence of certain tax-related events, as described in the Base Offering Memorandum. If the Notes are redeemed prior to maturity, you will receive an amount specified in the relevant Pricing Supplement, which may be equal to, more than or less than the outstanding principal amount of the Notes and accrued interest thereon.

Where Can I Find Examples of Hypothetical Amounts Payable at Maturity, Hypothetical Interest Payments or Hypothetical Payments Upon Early Redemption?

The relevant Issuer will include hypothetical performance information relating to the Notes of each Series in the applicable Pricing Supplement.

Where Can I Find Information About the Underlying Benchmark?

The Pricing Supplement relating to each Series of Notes will identify the underlying benchmark, and will provide certain historical information on the performance of the underlying benchmark. The relevant Issuer will provide this historical information to help you evaluate the behavior of the underlying benchmark in recent years. However, past performance is not indicative of how the underlying benchmark will perform in the future.

What Happens if the Underlying Benchmark is No Longer Published, or if there is a Disruption?

If the underlying benchmark (or, in the case of a basket, an index included in the underlying benchmark) is no longer published, then the Calculation Agent will refer to a successor index, if any, or will otherwise employ an alternative calculation method to determine the amount payable on the Notes or require the Issuer to redeem the Notes for a price equal to their fair market value, as determined by the Calculation Agent. If there is a disruption that materially affects any relevant exchange, trading on such an exchange or the market generally, then the dates on which calculations or payments are to be made will be adjusted. The amount that you will receive in respect of the Notes may be significantly affected if any of these events occurs.

Who Will Be Required to Make Payments on the Notes? Are the Notes Guaranteed?

The Notes will be unsecured senior debt securities of the relevant Issuer, with payments due on the Notes fully and unconditionally guaranteed by the Guarantor. The Guarantor's obligations under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of Natixis, and will at all times rank *pari passu* without any preference among themselves and, subject to such exceptions as may be provided for by applicable law, will at all times rank at least equally with all other present and future unsecured and unsubordinated indebtedness and obligations of the Bank.

The Guarantor will only guarantee payments that are actually due in respect of the Notes. As a result, if payments on the Notes are reduced or eliminated due to the performance of the underlying benchmark, the Guarantor will not be required to make up for the reduction or elimination.

The sponsor of any index that is included in the underlying benchmark will have no obligations in respect of the Notes. In addition, you will have no right to receive dividends in respect of the equity securities that are included in any such index, nor will you have any right to receive any such equity securities. You will only have the right to receive the cash amounts payable in respect of the Notes in accordance with the formula used to determine the amount that is due.

The Notes are obligations of the relevant Issuer, guaranteed only by the Guarantor. They will not be insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal, state, local or foreign government or government agency or body.

What Will I Receive if I Sell the Notes Prior to Maturity?

If you choose to sell your Notes before the Notes mature, you are not guaranteed and should not expect to receive the full principal amount of the Notes you sell. You should refer to the sections “Risk Factors Relating to the Notes—The Price at Which You Will be Able to Sell Your Notes Prior to Maturity Will Depend on a Number of Factors and May Be Substantially Less Than the Amount You Originally Invest” and “—You May Not Be Able to Sell Your Notes if an Active Trading Market for the Notes Does Not Develop” in this Product Supplement for further information.

What Are the U.S. Federal Income Tax Consequences of Investing in the Notes?

A summary of the material U.S. federal income tax considerations that may be relevant to a holder of a Note are described below under “Certain Additional United States Federal Income Tax Considerations.” The applicable Pricing Supplement relating to a Series of Notes will describe any special United States federal income tax consequences of the purchase, ownership and disposition of a particular issuance of Notes.

Will the Notes Be Listed on a Stock Exchange?

We do not expect to apply to list the Notes on any exchange, unless otherwise stated in the applicable Pricing Supplement.

Can You Tell Me More About Natixis, Natixis US Medium-Term Note Program LLC and the Branch?

You should review the Base Offering Memorandum (including the documents incorporated by reference therein) for important information about the Issuers and the Guarantor, including risk factors related to their business and activities.

What Is the Role of Natixis’ Broker-Dealer Affiliate, Natixis Securities Americas LLC?

Natixis Securities Americas LLC and/or other broker-dealer(s) (which may be affiliated or non-affiliated with the Issuers and/or the Guarantor) may act as placement agent and/or underwriter for the offering and sale of the Notes and may receive compensation for activities and services provided in connection with the offering and sale of the relevant Notes. After the initial offering of the Notes of a Series, the relevant broker-dealer may intend, but will not be obligated, to buy and sell the Notes to create a secondary market for holders of the Notes, and may engage in other activities described in the section “Plan of Distribution” in the Base Offering Memorandum. However, neither Natixis Securities Americas LLC nor any of these affiliates or other broker-dealers will be obligated to engage in any market-making activities, or continue those activities once it has started them.

What is the Role of the Calculation Agent?

The Calculation Agent will make determinations with respect to the Notes. The Calculation Agent for a particular Series of Notes may be one of the Issuers or an affiliate of the Issuers and/or the Guarantor. You should refer to “Risk Factors – The Calculation Agent, Which May Be an Issuer or Affiliate of the Issuers and/or the Guarantor, Will Make Determinations With Respect to the Notes” in this Product Supplement for more information.

Can You Tell Me More About the Effect of Natixis’ Hedging Activity?

Natixis expects to hedge its obligations or the obligations of the relevant Issuer under the Notes. This hedging activity will likely involve trading in the equity securities included in the underlying benchmark, or in other instruments, such as options, swaps or futures based upon the underlying benchmark or the equity securities comprised in the underlying benchmark. The costs of maintaining or adjusting this hedging activity could affect the price at which Natixis Securities Americas LLC or our other affiliated broker-dealers will be willing to purchase your Notes in the secondary market. Moreover, this hedging activity may result in our or our affiliates’ receipt of a profit, even if the market value of the Notes declines. In addition, if the Notes are repaid prior to maturity, the amount payable by the relevant Issuer may be reduced by the cost of unwinding or terminating any hedging

arrangements. You should refer to “Risk Factors Relating to the Notes — The Price at Which You Will be Able to Sell Your Notes Prior to Maturity Will Depend on a Number of Factors and May Be Substantially Less Than the Amount You Originally Invest” in this Product Supplement.

RISK FACTORS RELATING TO THE NOTES

Investing in the Notes involves a number of significant risks. The following description of the risk factors applicable to Notes linked to a single index or to a basket of indices supplements the risk factors set forth in the Base Offering Memorandum. In addition, please review the information under “Risk Factors” or any equivalent section of the applicable Pricing Supplement for specific risks relating to a particular Series of Notes.

You May Receive Less than Your Initial Investment in the Notes

The principal amount payable at maturity will vary based upon the performance of the underlying benchmark and may be less than your initial investment in the Notes. In addition, any periodic interest or coupon may vary based upon the performance of the underlying benchmark and may be zero. The principal amount payable at maturity and/or any periodic interest or coupon may be limited. Because of a limit on the return on your Notes, the Notes may provide less opportunity for return than an investment that would permit you to participate fully in the performance of the underlying benchmark or the equity securities comprised in the underlying benchmark. You will be subject to the risk of receiving a negative return on your investment in the Notes.

Secondary Market Sales of the Notes May Result in a Loss of Principal

The market value of the Notes may fluctuate, and if you sell your Notes in the secondary market prior to maturity, you may receive less than your initial investment.

The Yield on the Notes May Be Lower Than the Yield on a Standard Debt Security of Comparable Maturity

The terms of the Notes differ from those of conventional debt securities in that the principal payable at maturity or the periodic interest or coupon may vary based upon the performance of the underlying benchmark and may be zero. As a result, the effective yield on the Notes may be less than that which would be payable on a conventional debt security of Natixis bearing a fixed interest rate or variable interest rate.

You Will Not Receive Any Periodic Payments on the Notes Unless Specified

You will not receive any periodic interest or coupon on the Notes unless specified otherwise in the applicable Pricing Supplement and according to the terms specified therein. In addition, you will not be entitled as a holder of the Notes to receive dividend payments or other distributions, if any, made on the equity securities comprised in the underlying benchmark.

Notes that are Callable by the Relevant Issuer in its Discretion Involve Additional Risks

Callable Notes present different investment considerations from non-callable Notes and may not be suitable for every investor. You should carefully consider the information provided in the applicable Pricing Supplement, including the time periods when the relevant Issuer may call the Notes. If specified in the applicable Pricing Supplement, the decision whether to call the Notes before maturity in accordance with its terms will be in the relevant Issuer's sole discretion; in such case, the Issuer will not be obligated to call the Notes, and will call them, if at all, when it is most advantageous to it to do so, without reference to your investment needs. Depending on the terms of the Notes, you may face the risk that: the Notes may be paid prior to maturity as a result of a call and your return would be less than the yield which the Notes would have earned had it been held to maturity; if the Notes are called by us, you may not be able to reinvest your funds at the same rate as your original Notes; or the Notes may not be called and you may be required to hold the Notes until maturity, causing your return to be less than if the relevant Issuer had called the Notes and you were able to reinvest your funds in an investment with a higher yield than the yield on the Notes.

The Notes May Be Subject to a Mandatory Call that Limits the Potential Return

The opportunity to benefit from changes in the level of the underlying benchmark through an investment in the Notes may be limited by the mandatory call feature (where such feature is specified in the applicable Pricing Supplement). If the Notes are called prior to maturity as a result of the mandatory call, you will receive only the applicable call price, which may not provide you with the same return that you would have received in the absence of a mandatory call feature. The call price may be less than or greater than the amount you would have received at maturity based on the underlying benchmark. Therefore, your return on the Notes may be less than your return on an investment directly linked to the underlying benchmark, and you may not be able to fully benefit from the change in the level of the underlying benchmark.

You May Not Be Able to Sell Your Notes if an Active Trading Market for the Notes Does Not Develop

The Notes will not be listed on any exchange. There is currently no secondary market for the Notes. Even if a secondary market does develop, it may not be liquid and may not continue for the term of the Notes. One or more broker-dealer(s) may, but will not be obligated to, make a market in the Notes. Because the Issuers do not expect that other market makers will participate significantly in any secondary market for the Notes, the price at which you may be able to sell your Notes is likely to depend on the price, if any, at which the broker-dealer(s) are willing to transact. If at any time the broker-dealer(s) do not act as market maker, it is possible there would be little or no secondary market for the Notes.

The Notes are Subject to the Credit Risk of Natixis, as Issuer or as Guarantor of Any Payments Due on the Notes, and Any Actual or Anticipated Changes to Its Credit Ratings and Credit Spreads May Adversely Affect the Market Value of the Notes

The Notes are not guaranteed by any entity other than Natixis. If Natixis were to default on its obligations under the Notes (or the related Guarantee), your investment would be at risk and you could lose some or all of your investment. As a result, the market value of the Notes will be affected by changes in the market's view of Natixis' creditworthiness. Any decline, or anticipated decline, in Natixis' credit ratings or increase, or anticipated increase, in the credit spreads charged by the market for taking Natixis' credit risk is likely to adversely affect the market value of the Notes.

The Price at Which You Will be Able to Sell Your Notes Prior to Maturity Will Depend on a Number of Factors and May be Substantially Less Than the Amount You Originally Invest

The value of your Notes in any secondary market will be affected by the supply of and demand for the Notes, the level of the underlying benchmark, interest rates and a number of other factors. Some of these factors are interrelated in complex ways. As a result, the effect of any one factor may be offset or magnified by the effect of another factor. The following paragraphs describe what we expect to be the impact of a change in a specific factor, assuming all other conditions remain constant, on the market value of the Notes in any secondary market.

Level of the underlying benchmark. The Issuers expect that the market value of the Notes in any secondary market will depend substantially on the amount, if any, by which the level of the underlying benchmark changes from its value on the date on which the particular Series of Notes are priced for initial sale to investors. However, changes in the level of the underlying benchmark may not always be reflected, in full or in part, in the market value of the Notes in any secondary market. Depending on the formula used to determine payments in respect of the Notes, the impact on the market value of the Notes of a change in the underlying benchmark may be more or less significant than the change in the underlying benchmark itself.

Prices, values or exchange rates of the underlying benchmark will be influenced by the complex and interrelated political, economic, financial and other factors that can affect the capital markets generally and by various circumstances that can influence the values of the underlying benchmark in a specific market segment. The hedging activities of Natixis and other trading activities by our affiliates and other market participants can also affect the prices, values or exchange rates of the underlying benchmark.

Volatility of the underlying benchmark. Volatility is the term used to describe the size and frequency of market fluctuations. If the expected volatility of the underlying benchmark changes during the term of the Notes, the market value of the Notes in any secondary market may decrease.

Interest Rates. We expect that the market value of the Notes will be affected by changes in U.S. interest rates, as well as changes in international interest rates in the case of Notes denominated in, or indexed to, currencies other than the U.S. dollar. In general, if interest rates increase, the market value of the Notes in any secondary market may decrease, and if interest rates decrease, the market value of the Notes in any secondary market may increase.

Time Premium or Discount. As a result of a “time premium” or “discount,” the Notes may trade at a value above or below that which would be expected based on the level of interest rates, which disparity is expected to be larger the longer the time remaining to the maturity of the Notes. A “time premium” or “discount” results from expectations concerning the level of interest rates during the period prior to the maturity of the Notes. However, as the time remaining to maturity decreases, this “time premium” or “discount” may diminish, increasing or decreasing the market value of the Notes.

Hedging Activities. Hedging activities related to the Notes by one or more of our affiliates will likely involve trading in the equity securities comprised in the underlying benchmark, or in other instruments, such as options, swaps or futures, based upon the underlying benchmark or upon the equity securities comprised in the underlying benchmark. This hedging activity could affect the level of the underlying benchmark and therefore the market value of the Notes in any secondary market. It is possible that our affiliates may profit from this hedging activity, even if the market value of the Notes declines. Profit or loss from this hedging activity could affect the price at which the broker-dealer affiliates of the Issuers and/or the Guarantor may be willing to purchase your Notes in any secondary market.

Credit Ratings, Financial Condition, and Results of Natixis. Actual or anticipated changes in the credit rating, financial condition, or results of Natixis may affect the market value of the Notes.

The Historical Performance of the Underlying Benchmark is Not an Indication of the Future Performance of the Underlying Benchmark

The historical performance of the underlying benchmark should not be taken as an indication of the future performance of the underlying benchmark during the term of the Notes. Changes in the level of the underlying benchmark will affect the value of the Notes in any secondary market, but it is impossible to predict whether the level of the underlying benchmark will fall or rise.

You Will Have No Rights Against any Index Sponsor

You will have no rights as a holder of the Notes against the relevant index sponsor or sponsors, even though the market value of the Notes is expected to depend on the level of the underlying benchmark and the amount payable at maturity or the periodic interest or coupon, if any, is linked to the underlying benchmark. No index sponsor will be involved in any way in the offering of the Notes or will have any obligations relating to the Notes or to holders of the Notes. By investing in the Notes you will not acquire any of the equity securities comprised in the underlying benchmark. In addition, you will have no voting rights and will receive no dividends or other distributions made on such equity securities.

The Calculation Agent, Which May be an Issuer or Affiliate of the Issuers and/or the Guarantor, Will Make Determinations with Respect to the Notes

The Calculation Agent for the Notes may be an Issuer or an affiliate of the Issuers and/or the Guarantor. The Calculation Agent will calculate any note return amount payable at maturity and any interest or coupon payable on each interest payment date. These determinations made by the Calculation Agent may adversely affect the payments to you.

Notes Linked to the Performance of an Index or Basket of Indices Involve Additional Risks

Notes linked to the performance of a single index are subject to risks broadly similar to those attending any investment in a broadly-based portfolio of assets including, without limitation, the risk that the general level of prices for such assets may decline. The following is a list of some of the significant risks associated with an index:

- historical performance of the index does not indicate the future performance of the index. It is impossible to predict whether the value of the index will fall or rise during the term of the Notes; and
- if the index comprises underlying stocks, the trading prices of the stocks underlying the index will be influenced by political, economic, financial, market and other factors. It is impossible to predict what effect these factors will have on the value of any asset related to the index and, in turn, the return on the Notes.

The policies of the sponsor of an index (including a sponsor that is affiliated with Natixis, as the case may be) concerning additions, deletions and substitutions of the assets underlying the index and the manner in which the index sponsor takes account of certain changes affecting such underlying assets may affect the value of the index. The policies of an index sponsor with respect to the calculation of an index could also affect the value of the index. An index sponsor may discontinue or suspend calculation or dissemination of information relating to its index. Any such actions could affect the value of the Notes.

Dividends. Depending upon the calculation methodology of an index, where the performance of an index is taken into account in order to calculate payments due under the Notes the payment of income (such as dividends for an index that has stocks as underlying assets) may not be reflected, as the index may be calculated by reference to the prices of the underlying assets comprising the index without taking into consideration the value of any income paid on those underlying assets. Therefore, the yield to maturity of Notes linked to an index may not be the same as the yield that would be produced if such underlying assets were purchased and held for a similar period.

Management and other fees. An index may be subject to management fees and other fees as well as charges that are payable to the index sponsor and which can reduce the Final Redemption Amount or the Early Redemption Amount payable to Noteholders. Such fees may be paid to index sponsors that are affiliates of Natixis.

Concentration risk. For Notes linked to a single index or to a small number of indices that are concentrated in a single or a limited number of industry sectors or geographical regions, you will not benefit, with respect to such Notes, from the advantages of a diversified investment, and will bear the risks of a concentrated investment, including the risk of greater volatility than may be experienced in connection with a diversified investment. You should be aware that other investments may be more diversified than such Notes in terms of the number and variety of industry sectors or geographical regions.

Notes Linked to the Performance of a Basket of Indices Involve Additional Risks

Weighting. The indices included in the basket that constitutes the underlying benchmark of a Series of Notes may have different weights in determining the level of the basket, depending on the weightings specified in the relevant Pricing Supplement. For example, the relevant Pricing Supplement may specify that the basket consists of five indices and that the weightings are 25%, 30%, 15%, 20% and 10%, respectively. One consequence of such an unequal weighting of the indices is that the same percentage change in two of the indices may have different effects on the level of the underlying benchmark that may be used to determine the amount and timing of payment of principal and/or interest in respect of the Notes. For example, if the weighting for index A is greater than the weighting for index B, a 5% decrease in index A will have a greater effect on the applicable level than a 5% decrease in index B.

Changes in the value of the underlying indices may offset each other. Price movements in the underlying indices may not correlate with each other. At a time when the value of one or more of the underlying indices increases, the value of the other underlying indices may not increase as much or may even decline. Therefore, in calculating the relevant level of the basket, increases in the value of one or more of the underlying indices may be moderated, or

more than offset, by lesser increases or declines in the level of the other underlying indices, particularly if the underlying indices that appreciate are of relatively low weight in the basket.

Movements in the underlying indices may be highly correlated. High correlation of movements in the underlying indices during periods of negative returns among the underlying indices could have an adverse effect on your return on your investment at maturity or upon early redemption. However, the movements in the underlying indices may become uncorrelated in the future. Accordingly, at a time when the value of one or more of the underlying indices increases, the value of the other underlying indices may not increase as much or may even decline. See “— Changes in the value of the underlying indices may offset each other” above.

Conflicts of Interest in Connection with Indices

The composition of, and the methodologies used in connection with, certain indices to which Notes are linked may be determined and selected by Natixis or one of its affiliates. In selecting such methodologies, Natixis or the relevant affiliate of Natixis, can be expected to have regard to its own objectives and interests and/or those of Natixis and its affiliates and there is no guarantee that the methodologies selected will not be less favorable to the interests of investors than methodologies used by other index sponsors in comparable circumstances.

If the hedging activities of Natixis or one of its affiliates in connection with a particular index are disrupted, Natixis or the relevant affiliate may decide to terminate calculations in relation to such index sooner than another index sponsor would in comparable circumstances. Such a termination may trigger the early redemption of the Notes.

Foreign Indices Involve Additional Risks which Can Affect the Value of the Notes

If the equity securities comprised in an underlying index are listed on one or more foreign stock exchanges, you should be aware that investments that are linked to the value of foreign equity securities involve certain risks, any of which can affect the value of these securities and therefore the value the Notes.

The foreign securities markets (particularly emerging markets) may be more volatile than U.S. securities markets and may be affected by market developments in different ways than U.S. securities markets; cross-shareholdings in foreign companies on such markets may affect prices and volume of trading on those markets; there is generally less publicly available information about foreign companies than about those U.S. companies that are subject to the reporting requirements of the Securities and Exchange Commission, and foreign companies are subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies. Prices of the underlying equity securities which may be comprised in the underlying benchmark are subject to political, economic, financial, exchange rate and social factors that apply in each issuer's country as well as in other constituent countries in which such issuer does business (or in which its principal trading partners do business). These factors (including the possibility that recent or future changes in a country's government, economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to such foreign companies or investments in foreign equity securities and the possibility of fluctuations in the rate of exchange between currencies) could negatively affect foreign securities markets. Stock and currency market volatility and market developments in one or more countries may cause volatility or a decline in another country. Moreover, the relevant economies may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

DESCRIPTION OF THE INDEX-LINKED NOTES

The following description of the particular terms of the Notes supplements the description of the general terms and provisions of the Notes set forth in the Base Offering Memorandum. If any specific information regarding the Notes in this Product Supplement is inconsistent with the more general terms of the Notes described in the accompanying Base Offering Memorandum, you should rely on the information in this Product Supplement.

The Pricing Supplement applicable to a particular Series of Notes will contain the specific information and terms for the offering of those Notes. If any information in the applicable Pricing Supplement is inconsistent with this Product Supplement, you should rely on the information in the Pricing Supplement.

The following is a general summary of the terms that will be applicable to the Notes offered hereby. The applicable Pricing Supplement will specify whether the particular Series of Notes are linked to a single index (which we refer to as “Index-Linked Notes (Single Index)”) or to a basket of indices (which we refer to as “Index-Linked Notes (Basket of Indices)”). Please see “Terms and Conditions of the Index-Linked Notes (Single Index)” or “Terms and Conditions of the Index-Linked Notes (Basket)”, as applicable, for the text of the definitions that will form part of the terms and conditions of such Notes.

General

The Notes are medium-term notes as described in the Base Offering Memorandum (as supplemented and amended by this Product Supplement and the related Pricing Supplement). The aggregate principal amount of each Series of Notes will be set forth in the applicable Pricing Supplement. Notes will be issued in such denominations as may be specified in the applicable Pricing Supplement. You will be able to transfer the Notes only in specified minimum denominations and integral multiples of the minimum denomination or such other amount as is specified in the applicable Pricing Supplement.

You will not have the right to receive physical certificates evidencing your ownership of the Notes except under limited circumstances. Instead, we will issue the Notes in the form of a global certificate, which will be held by the Depository Trust Company (“DTC”) or its nominee. Direct and indirect participants in DTC will record beneficial ownership of the Notes by individual investors. Accountholders in the Euroclear or Clearstream Banking clearance systems may hold beneficial interests in the Notes through the accounts that these systems maintain with DTC. You should refer to the section “Book-Entry Procedures and Settlement” in the accompanying Base Offering Memorandum.

Reference is made to the sections entitled “Description of the Notes” and “Terms and Conditions of the Notes” in the accompanying Base Offering Memorandum for a detailed summary of additional provisions of the Notes and of the Fiscal and Paying Agency Agreement under which the Notes will be issued. In addition, the terms set forth in this Product Supplement under “Terms and Conditions of the Index-Linked Notes (Single Index)” will form a part of the terms and conditions of Index-Linked Notes (Single Index) offered hereby; and the terms set forth in this Product Supplement under “Terms and Conditions of the Index-Linked Notes (Basket of Indices)” will form a part of the terms and conditions of Index-Linked Notes (Basket of Indices) offered hereby.

Maturity Date

The maturity date for the Notes will be specified in the applicable Pricing Supplement. However, if the stated maturity date is a Disrupted Day, then the maturity date may be postponed, as provided below under “—Provisions Relating to the Underlying Benchmark – Consequences of Disrupted Days; Scheduled Trading Days.”

Payment at Maturity

At maturity, the amount you will be entitled to receive will be calculated by using a formula or methodology applied to the underlying benchmark, as described in the applicable Pricing Supplement. If specified in the applicable Pricing Supplement, the Notes of a particular Series may be principal protected, which means that at maturity, subject to the credit risk of Natixis, you will receive at least the principal amount of your Notes.

Interest or Coupon Payments

The Notes may pay periodic interest or coupon based on a fixed rate, variable rate, floating rate or indexed rate or any combination thereof. Any of such rates may be adjusted by applying a specific spread. Any variable rate, floating rate or indexed rate will be calculated by using a formula or methodology, as described in the applicable Pricing Supplement, generally on the basis of the terms set forth in the Base Offering Memorandum. Unless otherwise specified in the applicable Pricing Supplement, the periodic interest or coupon will not be compounded. Interest, if any, will be payable on the date or dates set forth in the applicable Pricing Supplement.

The amount of interest you will be entitled to receive on any interest payment date may be calculated by using a formula or methodology applied to the underlying benchmark, as described in the applicable Pricing Supplement. In such event, if an interest payment date is a Disrupted Day, then the payment of interest may be postponed, as described under “—Provisions Relating to the Underlying Benchmark – Consequences of Disrupted Days; Scheduled Trading Days.”

Redemption; Calls

The Notes of any Series may be callable by the relevant Issuer prior to maturity in the Issuer’s discretion or at the option of Noteholders, or may be subject to mandatory call.

If “Redemption at the Option of the Issuer” or “Issuer Call” is specified in the applicable Pricing Supplement, the Issuer may, upon notice to Noteholders of the relevant Series as provided in the Base Offering Memorandum, redeem all, or, if so provided, some of the Notes of such Series on the date or dates specified in the relevant Pricing Supplement, at a redemption price equal to the Early Redemption Amount as set forth in the relevant Pricing Supplement (generally, the fair market value of the Notes as determined by the Calculation Agent, except as provided in the relevant Pricing Supplement).

If “Redemption at the Option of the Noteholders” or “Noteholder Put” is specified in the applicable Pricing Supplement, upon the holder of any Note giving notice to the Issuer as provided in the Base Offering Memorandum or as otherwise provided in the Pricing Supplement, the relevant Issuer will redeem, subject to and in accordance with the terms specified in the applicable Pricing Supplement, in whole, but not in part, the Notes held by each Noteholder electing redemption on the Optional Redemption Date at the Optional Redemption Amount specified in the applicable Pricing Supplement.

If “Automatic Early Redemption” is specified in the applicable Pricing Supplement, then the relevant Issuer will, on the Automatic Early Redemption Date determined in the manner specified in the relevant Pricing Supplement, redeem the Notes of the relevant Series in whole at a price equal to the Automatic Early Redemption Amount (generally an amount calculated by reference to the performance of the underlying benchmark at a specified valuation date). Generally, an Automatic Early Redemption Date will occur as a result of a specified Automatic Early Redemption Event, such as the underlying benchmark exceeding or being less than a specified level on a given date.

Notes may also be redeemed in whole but not in part for reasons of a change in the tax regime as provided in the Base Offering Memorandum.

Events of Default and Acceleration

In case an Event of Default (as defined in the Base Offering Memorandum) with respect to any Note shall have occurred and be continuing, if the Notes of a Series are declared due and payable as provided in the Base Offering Memorandum, then the Early Redemption Amount will be determined by the Calculation Agent as the Early Redemption Amount as specified in the relevant Pricing Supplement.

Fiscal and Paying Agent and CUSIP

The Bank of New York Mellon will serve as fiscal and paying agent and registrar for the Notes and will also hold the master note or global note representing the Notes as custodian for DTC. The CUSIP number for each Series of Notes will be set forth in the applicable Pricing Supplement.

Calculation Agent

The Calculation Agent for a particular Series of the Notes may be an affiliate of ours and will be named in the applicable Pricing Supplement. All determinations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will, in the absence of manifest error, be conclusive for all purposes and binding on the Issuer, the Guarantor and the holders of the Notes. The Calculation Agent is obligated to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment.

Provisions Relating to the Underlying Benchmark

General

Payments of principal and/or interest in respect of the Notes will be made in amounts, and at times, determined by reference to the performance of the underlying benchmark. The formula or formulas used for this purpose will be set forth in the relevant Pricing Supplement.

These formulas will generally be based on definitions set forth under “Terms and Conditions of the Index-Linked Notes (Single Index)” or “Terms and Conditions of the Index-Linked Notes (Basket of Indices)” below, as applicable. Certain provisions of these definitions, and their consequences, are described below.

Underlying Benchmark

The underlying benchmark will be an index or a basket of indices of equity securities listed on one or several stock exchanges. Notes linked to a single index are referred to as “Index-Linked Notes (Single Index).” Notes linked to a basket of indices are referred to as “Index-Linked Notes (Basket of Indices).” Each index included in the underlying benchmark will be published by an index sponsor. The index or indices and index sponsor or sponsors will be specified in the applicable Pricing Supplement. In the case of Index-Linked Notes (Basket of Indices), the applicable Pricing Supplement will also set forth the weighting to be applied to each index included in the basket.

Determination of Levels of the Underlying Benchmark and Consequences of such Determination

The formulas used to determine the amount and timing of payments of principal and/or interest in respect of the Notes will generally depend on the level of the underlying benchmark as of a particular valuation time (determined by reference to the level announced by the applicable index sponsor or to a “Settlement Price” for options or futures contracts on the index or in any other manner specified in the applicable Pricing Supplement), compared to its initial level set forth in the Pricing Supplement or calculated by the Calculation Agent as of a Strike Date set forth in the Pricing Supplement. The final level may be determined on a specified Valuation Date, or on the basis of an average level on specified Averaging Dates. With respect to Index-Linked Notes (Basket of Indices), the formulas used may be based on the level of the basket based on the weighted levels of all of the indices included in the basket or on the level of certain specified indices included in the basket.

Principal or interest on the Notes may be payable, increased, or decreased when the applicable level is greater than or less than the initial level. They may also be based on the absolute value of the change in the level. These amounts may be subject to specified minimum or maximum levels specified in the Pricing Supplement. In addition, the formula may change depending on whether the level of the index or basket exceeds or is less than a specified “Barrier Level” set forth in the Pricing Supplement (or determined pursuant to a formula set forth in the Pricing Supplement).

The right of Noteholders to receive payment of principal or interest on any date may depend on whether the level of the index or basket exceeds or is less than a given threshold on the same or a different date. A condition

related to the level of the index or basket that gives the Noteholders the right to a payment is generally referred to as a “Knock-in Event,” and a condition that eliminates or reduces the right of Noteholders to a payment is generally referred to as a “Knock-out Event.”

If “Range Accrual” is specified in the applicable Pricing Supplement, then any amount of interest and/or the redemption amount payable may be adjusted based on the relevant Range Accrual Rate. The “Range Accrual Rate” is a rate determined by the Calculation Agent, expressed as a percentage, equal (unless otherwise specified in the applicable Pricing Supplement) to the number of days within a certain monitoring period on which the level of the index or basket is greater than, greater than or equal to, less than, or less than or equal to a certain triggering level that is specified in the applicable Pricing Supplement, divided by the total number of days in the monitoring period.

Valuation

The valuation of the underlying benchmark will be determined by the Calculation Agent pursuant to the “Terms and Conditions of the Index-Linked Notes (Single Index)” or “Terms and Conditions of the Index-Linked Notes (Basket of Indices)”, as applicable, and in accordance with the relevant Pricing Supplement. The Pricing Supplement will generally set forth Valuation Dates or Averaging Dates, and may set forth specific Valuation Times on those dates.

Consequences of Disrupted Days; Scheduled Trading Days

If a Strike Date, Valuation Date or Averaging Date falls on any day that is a Disrupted Day, then such dates will be postponed to the next day that is not a Disrupted Day, except that they will not be postponed beyond certain ultimate dates set forth in or determined pursuant to the Pricing Supplement. A Disrupted Day is a day on which trading is suspended or limited in securities representing at least 20% of the value of an index included in the underlying benchmark or in options or futures on such index, or on which exchanges on which securities in this amount or such options or futures are subject to early closure, or on which there is a general market disruption.

Each of the “Strike Date”, the “Valuation Date” and the “Averaging Date”, if any, will be specified in the applicable Pricing Supplement. If any such date does not fall on a scheduled trading day, it will be the next scheduled trading day.

If the postponement of any Strike Date, Valuation Date or Averaging Date make it impossible to calculate the payment due on any Notes on any applicable date, then such payment will be postponed until the next day on which such calculation is possible within the limit of days specified herein or in the Pricing Supplement, and no additional interest shall accrue or be payable as a result of such postponement.

Adjustment Events

The Calculation Agent will make adjustments to the formula or formulas used to calculate payments in respect of the Notes if an index in the underlying benchmark is no longer published by the index sponsor, and if a successor sponsor or index is published, then the Calculation Agent will use the successor index for purposes of calculations in respect of the Notes. If the sponsor announces a material modification to the method of calculation of the level of the index, terminates the index or fails to publish the index then the Calculation Agent will either determine an alternative method of making the relevant valuations, or it will require the relevant Issuer to redeem the affected Notes for a price equal to the Early Redemption Amount as set forth in the relevant Pricing Supplement (generally, fair market value as determined by the Calculation Agent, unless otherwise specified in the relevant Pricing Supplement). If it becomes illegal for the Issuer to make payments as provided in an applicable Pricing Supplement, or if there is a material increase in the cost of hedging the Notes of the relevant Series, then the Calculation Agent may require the Issuer to redeem the affected Notes for a price equal to the Early Redemption Amount as set forth in the relevant Pricing Supplement (generally, fair market value as determined by the Calculation Agent, unless otherwise specified in the relevant Pricing Supplement).

TERMS AND CONDITIONS OF THE INDEX-LINKED NOTES (SINGLE INDEX)

The following Terms and Conditions supplement the Terms and Conditions set forth in the accompanying Base Offering Memorandum under the heading “Terms and Conditions of the Notes” for Notes specified in the applicable Pricing Supplement as “Index-Linked Notes (Single Index).”

Terms and Conditions for Index-Linked Notes (Single Index)

(a) General Definitions

- (i) Common definitions for Single Exchange Index-Linked Notes and Multi Exchange Index-Linked Notes

“**Barrier Level**” means the level of the Index specified as such or otherwise determined in the applicable Pricing Supplement, subject to “**Particular Provisions**” set forth in Condition (f) (*Particular Provisions*) below.

“**Early Redemption Amount**” means, in respect of any Note, an amount determined by the Calculation Agent, in its sole and absolute discretion, in the Specified Currency specified in the applicable Pricing Supplement, to be the fair market value of a Note based on the market conditions prevailing at the date of determination and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the relevant Issuer’s obligations under the Notes). For the purposes of determining the Early Redemption Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

“**Exchange Rate**” means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Pricing Supplement which appears on the page designated in the applicable Pricing Supplement on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Pricing Supplement, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

“**Exchange Rate Business Day**” means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial center(s) specified as such in the applicable Pricing Supplement.

“**Exchange Rate Determination Date**” means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Pricing Supplement preceding the date of determination of such amount by the Calculation Agent.

“**Final Level**” means either:

- (x) in respect of any Valuation Date, the level of the Index as determined by the Calculation Agent as of the Valuation Time on such Valuation Date PROVIDED that Final Level will mean the Settlement Price relating to the Index as determined by the Calculation Agent on the Valuation Date if such date occurs on the Settlement Day; or
- (y) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Index is valued (with halves being rounded up)) of the Relevant Levels on each of such Averaging Dates PROVIDED that Final Level will mean the Settlement Price relating to the Index as determined by the Calculation Agent on the Valuation Date if such date occurs on the Settlement Day.

“Index-Linked Notes (Single Index)” means Notes identified as such in the applicable Pricing Supplement.

“Initial Level” means the level of the Index specified as such or otherwise determined in the applicable Pricing Supplement or, if no such level is specified or otherwise determined in the applicable Pricing Supplement, the level of the Index as determined by the Calculation Agent as of the Valuation Time on the Strike Date, subject to **“Particular Provisions”** set forth in Condition (f) (*Particular Provisions*) below.

“Max” followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a “;” inside those brackets.

“Min” followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a “;” inside those brackets.

“Multi Exchange Index-Linked Notes” means Notes identified as such in the applicable Pricing Supplement.

“Observation Period” means each period specified as such in the applicable Pricing Supplement.

“Relevant Level” means, in respect of any Averaging Date, the level of the Index as determined by the Calculation Agent as of the Valuation Time on such Averaging Date PROVIDED that Relevant Level will mean the Settlement Price relating to the Index as determined by the Calculation Agent on such Averaging Date if such date occurs on the Settlement Day.

“Settlement Day” means the day occurring within the month prior to the Valuation Date which options contracts or futures contracts relating to the Index are settled on their Related Exchange.

“Settlement Price” means the official settlement price of options contracts or futures contracts relating to the Index as determined by the Calculation Agent on any Valuation Date, Averaging Date, Knock-in Determination Day, Knock-out Determination Day, Automatic Early Redemption Averaging Date or Automatic Early Redemption Valuation Date.

“>” means that the item or number preceding this sign will be higher than the item or number following this sign.

“<” means that the item or number preceding this sign will be lower than the item or number following this sign.

“≥” means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

“≤” means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

“|” or **“Abs ()”** means the absolute value of the item or number inside the brackets.

“%” means percent, i.e. a fraction of 100. For avoidance of doubt, 1% or 1 percent is equal to 0.01.

“Single Exchange Index-Linked Notes” means Notes identified as such in the applicable Pricing Supplement.

(ii) Definitions specific to Single Exchange Index-Linked Notes

“Exchange” means the exchange or quotation system as determined by the Calculation Agent which is on the Issue Date specified as such or otherwise determined in the applicable Pricing Supplement, or any successor to

such exchange 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 the Exchange and, if any, the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, the Related Exchange closing prior to its Scheduled Closing Time.

“Index” means the index specified as such in the applicable Pricing Supplement as calculated and announced by the relevant Index Sponsor, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Index Performance” means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Pricing Supplement.

“Index Sponsor” means the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, which is on the Issue Date specified as such in the applicable Pricing Supplement, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Related Exchange” means the exchange or quotation system where futures or options contracts relating to the Index are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise determined in the applicable Pricing Supplement or any successor to such exchange 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).

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

“Scheduled Trading Day” means any day on which the Exchange and the Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“Valuation Time” means the time specified as such in the applicable Pricing Supplement or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date. If such Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

(iii) Definitions specific to Multi Exchange Index-Linked Notes

“Exchange” means, in respect of each component security of the Index (each, a **“Component Security”**), the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent or otherwise specified in the applicable Pricing Supplement, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Exchange Business Day” means any Scheduled Trading Day on which: (i) the Index Sponsor publishes the level of the Index and, if any, (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or, if any, the Related Exchange closing prior to its Scheduled Closing Time.

“Index” means the index specified as such in the applicable Pricing Supplement as calculated and announced by the relevant Index Sponsor, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Index Sponsor” means the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, which is on the Issue Date specified as such in the applicable Pricing Supplement, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Related Exchange” means the exchange or quotation system where futures or options contracts relating to the Index are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise determined in the applicable Pricing Supplement or any successor to such exchange 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).

“Scheduled Closing Time” means, in respect of each Component Security, the scheduled weekday closing time of the Exchange, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

“Scheduled Trading Day” means any day on which: (i) the Index Sponsor is scheduled to publish the level of the Index; and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session.

“Valuation Time” means (i) for the purposes of determining whether a Market Disruption Event has occurred: (a) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (b) in respect of any options contracts or future contracts on the Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor.

(b) Valuation

(i) Strike Date

“Strike Date” means the date specified as such in the applicable Pricing Supplement or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) below.

“Scheduled Strike Date” means the original date that, but for the occurrence of an event causing a Disrupted Day, would have been the Strike Date.

(ii) Valuation Date

“Valuation Date” means each date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) below.

“Scheduled Valuation Date” means the original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

(iii) Averaging Date

“Averaging Date” means, in respect of any Observation Period, each date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Valid Date,

subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) below.

“**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

(c) Consequences of Disrupted Day(s)

(i) Definitions

(A) Definitions specific to Single Exchange Index-Linked Notes

“**Disrupted Day**” means any Scheduled Trading Day on which the Exchange or, if any, the 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 any relevant Exchange relating to securities that comprise 20 percent or more of the level of the Index or, if any, the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, the Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or any Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

“**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 that comprise 20 percent or more of the level of the Index on any relevant Exchange relating to securities that comprise 20 percent 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 the relevant Related Exchange.

“**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 (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of the Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a 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.

“**Trading Disruption**” means any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise (i) on any relevant Exchange relating to securities that comprise 20 percent or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on the relevant Related Exchange.

(B) Definitions specific to Multi Exchange Index-Linked Notes

“**Disrupted Day**” means any Scheduled Trading Day on which: (i) the Index Sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

“**Early Closure**” means the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is

announced by such Exchange or, if any, the Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or, if any, the Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

“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 to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the Related Exchange.

“Market Disruption Event” means either:

- (1) the occurrence or existence, in respect of any Component Security, of:
 - (w) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of the Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; and/or
 - (x) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of the Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; and/or
 - (y) an Early Closure in respect of such Component Security; and
 - (z) the aggregate of all Component Securities in respect of which a Trading Disruption and/or, an Exchange Disruption and/or an Early Closure occurs or exists comprises 20 percent or more of the level of the Index; or
- (2) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of the Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market “opening data”.

“Trading Disruption” means any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits

permitted by the relevant Exchange or, if any, the Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on the Related Exchange.

(ii) Provisions

(A) Strike Date

If the Strike Date is a Disrupted Day, then the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on the Ultimate Strike Date in accordance with (subject to “Particular Provisions” set in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Ultimate Strike Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Strike Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Strike Date).

“**Ultimate Strike Date**” means the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

“**Specific Number**” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(B) Valuation Date

If any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that Ultimate Valuation Date in accordance with (subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*)) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on such Ultimate Valuation Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Ultimate Valuation Date, its good faith estimate of the value for the relevant security as of the Valuation Time on such Ultimate Valuation Date).

“**Ultimate Valuation Date**” means, in respect of any Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

“**Specific Number**” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(C) Averaging Date

If any Averaging Date is a Disrupted Day, then this Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) the Calculation Agent shall determine the level of

the Index as of the Valuation Time for that Averaging Date in accordance with (subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Ultimate Averaging Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Averaging Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Averaging Date).

“**Ultimate Averaging Date**” means, in respect of any Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date relating to this Observation Period.

“**Specific Number**” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(D) Knock-in Event and Knock-out Event

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Pricing Supplement is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Pricing Supplement is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the level of the Index triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

(d) Knock-in Event and Knock-out Event

(i) Common definitions for Single Exchange Index-Linked Notes and Multi Exchange Index-Linked Notes

(A) Knock-in Event

“**Knock-in Event**” means (unless otherwise specified in the applicable Pricing Supplement) that the level of the Index determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Knock-in Level.

If “**Knock-in Event**” is specified as applicable in the Pricing Supplement, then, unless otherwise specified in such Pricing Supplement, amendment to the terms of the Notes (as specified in the applicable Pricing Supplement) and/or payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

“**Knock-in Level**” means the level of the Index specified as such or otherwise determined in the applicable Pricing Supplement, subject to adjustment from time to time in accordance with the provisions set forth in Condition (f) (*Particular Provisions*) below and to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“**Knock-in Determination Day**” means each Scheduled Trading Day during the Knock-in Determination Period subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“Knock-in Determination Period” means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

“Knock-in Period Beginning Date” means the date specified as such in the applicable Pricing Supplement or, if **“Knock-in Period Beginning Date Scheduled Trading Day Convention”** is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“Knock-in Period Ending Date” means the date specified as such in the applicable Pricing Supplement or, if **“Knock-in Period Ending Date Scheduled Trading Day Convention”** is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“Knock-in Valuation Time” means the time or period of time on any Knock-in Determination Day specified as such in the applicable Pricing Supplement or in the event that the applicable Pricing Supplement do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) Knock-out Event

“Knock-out Event” means (unless otherwise specified in the applicable Pricing Supplement) that the level of the Index determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Knock-out Level.

If **“Knock-out Event”** is specified as applicable in the Pricing Supplement, then, unless otherwise specified in such Pricing Supplement, amendment to the terms of the Notes (as specified in the applicable Pricing Supplement) and/or payment under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

“Knock-out Level” means the level of the Index specified as such or otherwise determined in the applicable Pricing Supplement, subject to adjustment from time to time in accordance with the provisions set forth in Condition (f) (*Particular Provisions*) below and to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“Knock-out Determination Day” means each Scheduled Trading Day during the Knock-out Determination Period subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“Knock-out Determination Period” means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

“Knock-out Period Beginning Date” means the date specified as such in the applicable Pricing Supplement or, if **“Knock-out Period Beginning Date Scheduled Trading Day Convention”** is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“Knock-out Period Ending Date” means the date specified as such in the applicable Pricing Supplement or, if **“Knock-out Period Ending Date Scheduled Trading Day Convention”** is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“Knock-out Valuation Time” means the time or period of time on any Knock-out Determination Day specified as such in the applicable Pricing Supplement or in the event that the applicable Pricing Supplement do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

(e) Automatic Early Redemption

(i) Common definitions and provisions for Single Exchange Index-Linked Notes and Multi Exchange Index-Linked Notes

(A) Definitions

“Automatic Early Redemption Averaging Date” means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Pricing Supplement or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to “Consequences of Disrupted Day(s)” set forth below.

“Automatic Early Redemption Date” means each date specified as such in the applicable Pricing Supplement, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Pricing Supplement.

“Automatic Early Redemption Event” means (unless otherwise specified in the applicable Pricing Supplement) that the Index Level is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Automatic Early Redemption Level.

“Automatic Early Redemption Level” means the level of the Index specified as such or otherwise determined in the applicable Pricing Supplement, subject to “Adjustment to the Index” set forth in Condition (f) (*Particular Provisions*) below.

“Automatic Early Redemption Observation Period” means each period specified as such in the applicable Pricing Supplement.

“Automatic Early Redemption Rate” means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Pricing Supplement.

“Automatic Early Redemption Valid Date” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

“Automatic Early Redemption Valuation Date” means each date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to “Consequences of Disrupted Day(s)” set forth below.

“Index Level” means either:

- (1) in respect of any Automatic Early Redemption Valuation Date, the level of the Index as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date PROVIDED that Index Level will mean the Settlement Price relating to the Index as determined by the Calculation Agent on such Automatic Early Redemption Valuation Date if such date occurs on the Settlement Day; or
- (2) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Share is valued (with halves being rounded up)) of the Specified Prices on each of such Automatic Early Redemption Averaging Dates PROVIDED that Index Level will mean the Settlement Price relating to the Index as

determined by the Calculation Agent on such Automatic Early Redemption Averaging Date if such date occurs on the Settlement Day.

“Scheduled Automatic Early Redemption Valuation Date” means the original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Automatic Early Redemption Valuation Date.

“Specified Price” means, in respect of any Automatic Early Redemption Averaging Date, the level of the Index as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Averaging Date.

(ii) Consequences of the occurrence of an Automatic Early Redemption Event

If **“Automatic Early Redemption Event”** is specified as applicable in the Pricing Supplement, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount in the Specified Currency specified in the applicable Pricing Supplement equal to the relevant Automatic Early Redemption Amount.

“Automatic Early Redemption Amount” means (a) an amount in the Specified Currency specified in the applicable Pricing Supplement specified as such in the applicable Pricing Supplement or if such amount is not specified, (b) the product of (i) the denomination of each Note and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(iii) Consequences of Disrupted Days

(A) Automatic Early Redemption Valuation Date

- (1) If any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.
- (2) In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date in accordance with (subject to “Adjustments to the Index” set forth in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Valuation Date, its good faith estimate of the value for the relevant security as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date).

“Ultimate Automatic Early Redemption Valuation Date” means, in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(B) Automatic Early Redemption Averaging Date

If any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date in accordance with (subject to “Adjustments to the Index” set forth in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Averaging Date, its good faith estimate of the value for the relevant security as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date).

“Ultimate Automatic Early Redemption Averaging Date” means, in respect of any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(f) Particular Provisions

- (i) If the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, then in each case that index (the “**Successor Index**”) will be deemed to be the Index and the Conditions shall be construed accordingly.
- (ii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Index Sponsor (a) announces that it will make a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent stock and capitalization and other routine events) (an “**Index Modification**”) or permanently cancels the Index and no Successor Index exists (an “**Index Cancellation**”) or (b) fails to calculate and announce the Index (an “**Index Disruption**” (provided for the avoidance of doubt that a successor sponsor calculating and announcing the Index determined as unacceptable by the Calculation Agent shall be an Index Disruption) and together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”), then the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, either to:
 - (1) calculate the level of the Index in accordance with the formula for and method of calculating the Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised the Index immediately prior to the Index Adjustment Event; or (but not and)
 - (2) replace the Index by the Index as so modified or by the new index (as the case may be), provided that in such case, (a) the Calculation Agent will make such adjustments to the new index as may be required in order to preserve the economic equivalent of the obligation of the Issuer to make payment of any amount due and payable under the Notes linked to the Index as if such new or modified index had not replaced the Index and, if need be, will multiply the modified or new index by a linking coefficient to do so as determined by the Calculation Agent and (b) the Noteholders will be notified of the modified Index or the new index (as the case may be) and, if need be, of the linking coefficient; or (but not and)
 - (3) require the Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Business Day following notification by the Calculation Agent to the Issuer that the Calculation Agent has determined that the event referred to in the foregoing sub-paragraph (2) has occurred.

- (iii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, a Change in Law or a Hedging Disruption or an Increased Cost of Hedging occurs, then the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, to require the Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Business Day following notification by the Calculation Agent to the Issuer that the Calculation Agent has determined that the event referred to in the foregoing paragraph (ii) has occurred.

Where:

“Change in Law” means that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange (an **“Applicable Regulation”**), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the relevant Issuer or Natixis determines that (X) it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

“Hedge Positions” means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by Natixis in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

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

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

“Increased Cost of Hedging” means that Natixis and/or its affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of Natixis entering into and performing its obligations with respect to the Notes, or (ii) realize, 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 Natixis and/or its affiliates shall not be deemed an Increased Cost of Hedging.

- (iv) In the event that any level announced by the Index Sponsor which is utilized by the Calculation Agent for any determination (the “**Original Determination**”) is subsequently corrected and the correction (the “**Corrected Value**”) is announced by the Index Sponsor within two Scheduled Trading Days after the original publication and in any case not later than the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination, then the Calculation Agent will notify the relevant Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the “**Replacement Determination**”) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it considers it to be necessary, the Calculation Agent may, in its sole and absolute discretion, adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the relevant Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original Determination is announced by the Index Sponsor after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

The Calculation Agent shall as soon as practicable provide detailed notice of any determinations and/or adjustments, as the case may be, made and notified to the relevant Issuer by the Calculation Agent pursuant to paragraphs (i), (ii), or (iv) of this Condition (f) (*Particular Provisions*), whereupon the relevant Issuer shall promptly provide detailed notice to the Fiscal Agent and to the Noteholders in accordance with the Conditions of such determinations and/or adjustments made and notified by the Calculation Agent.

(g) Range Accrual

(i) Definitions

“**Range Accrual Rate**” means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal (unless otherwise specified in the applicable Pricing Supplement) to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

“**Monitoring Day**” means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is (unless otherwise specified in the applicable Pricing Supplement) a Scheduled Trading Day, subject to “Consequences of Disrupted Day(s)” set forth below.

“**Monitoring Period**” means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

“**Number of Monitoring Days**” means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

“**Number of Triggering Days**” means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

“Reference Dates” means the dates specified as such in the applicable Pricing Supplement or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

“Triggering Day” means any Monitoring Day where the level of the Index as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Trigger Level.

“Trigger Level” means the level of the Index specified as such or otherwise determined in the applicable Pricing Supplement, subject to **“Particular Provisions”** set forth in Condition (f) (*Particular Provisions*) above.

“Trigger Valuation Time” means the time or period of time on any Monitoring Day specified as such in the applicable Pricing Supplement or in the event that the applicable Pricing Supplement do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(ii) Consequences

If **“Range Accrual”** is specified as applicable in the Pricing Supplement, then the provisions comprised in this Condition (g) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(iii) Consequences of Disrupted Days

Unless otherwise specified in the applicable Pricing Supplement, if any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

TERMS AND CONDITIONS OF THE INDEX-LINKED NOTES (BASKET)

The following Terms and Conditions supplement the Terms and Conditions set forth in the accompanying Base Offering Memorandum under the heading “Terms and Conditions of the Notes” for Notes specified in the applicable Pricing Supplement as “Index-Linked Notes (Basket).”

Terms and Conditions for Index-Linked Notes (Basket of Indices)

- (a) General Definitions
 - (i) Common definitions for Index-Linked Notes

“Barrier Level” means either:

- (a) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, in respect of any Index, the level of such Index specified as such or otherwise determined in the applicable Pricing Supplement;

OR

- (b) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, the level per Basket specified as such or otherwise determined in the applicable Pricing Supplement or, if no such level is specified or otherwise determined in the applicable Pricing Supplement, subject to **“Particular Provisions”** set forth in Condition (f) (*Particular Provisions*) below.

“Basket” means a basket composed of each Index specified in the applicable Pricing Supplement in the relative proportions specified in the applicable Pricing Supplement.

“Basket Performance” means, in respect of any Index and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Pricing Supplement.

“Early Redemption Amount” means, in respect of any Note, an amount determined by the Calculation Agent, in its sole and absolute discretion, in the Specified Currency specified in the applicable Pricing Supplement, to be the fair market value of a Note based on the market conditions prevailing at the date of determination and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the relevant Issuer’s obligations under the Notes). In respect of Fixed Interest Rate Notes and Index Linked Interest Notes and other variable-linked coupon amount Notes, for the purposes of determining the Early Redemption Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

“Exchange Rate” means, in respect of any Exchange Rate Determination Date, the cross-currency rate specified as such in the applicable Pricing Supplement which appears on the page designated in the applicable Pricing Supplement on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Pricing Supplement, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

“Exchange Rate Business Day” means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Pricing Supplement.

“Exchange Rate Determination Date” means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Pricing Supplement preceding the date of determination of such amount by the Calculation Agent.

“Final Level” means either:

(a) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, either:

(X) in respect of any Index and any Valuation Date, the level of such Index as determined by the Calculation Agent as of the Valuation Time on such Valuation Date PROVIDED that the Final Level will mean the Settlement Price relating to any Index as determined by the Calculation Agent on the Valuation Date if such date occurs on the Settlement Day for that Index;

OR

(Y) in respect of any Index and the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Index is valued (with halves being rounded up)) of the Relevant Levels of such Index on each of such Averaging Dates;

OR

(b) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, either:

(X) in respect of any Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Level of such Index on such Valuation Date and (ii) the relevant Weighting;

OR

(Y) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Averaging Date as the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Level of such Index on each of such Averaging Dates and (ii) the relevant Weighting.

“Index” means each index specified as such in the applicable Pricing Supplement as calculated and announced by the relevant Index Sponsor, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Index Performance” means, in respect of any Index and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Pricing Supplement.

“Initial Level” means either:

- (a) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, in respect of any Index, the level of such Index specified as such or otherwise determined in the applicable Pricing Supplement or, if no such level is specified or otherwise determined in the applicable Pricing Supplement, the level of such Index as determined by the Calculation Agent as of the Valuation Time on the Strike Date;

OR

- (b) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, the level per Basket specified as such or otherwise determined in the applicable Pricing Supplement or, if no such level is specified or otherwise determined in the applicable Pricing Supplement, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Level of such Index on the Strike Date and (ii) the relevant Weighting, subject to “**Particular Provisions**” set forth in Condition (f) (*Particular Provisions*) below.

“**Highest Index Performance**” means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically highest Index Performance as determined by the Calculation Agent among the Index Performances determined on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

“**Highest Performing Index**” means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Index with the Highest Index Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

“**Lowest Index Performance**” means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically lowest Index Performance as determined by the Calculation Agent among the Index Performances determined on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

“**Lowest Performing Index**” means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Index with the Lowest Index Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

“**Max**” followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a “;” inside those brackets.

“**Min**” followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a “;” inside those brackets.

“**Multi Exchange Index**” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, that the component securities of such Index are or deemed to be traded on several exchanges and accordingly that the definitions comprised herein relating to the Multi Exchange Index shall apply to such Index.

“**Observation Period**” means each period specified as such in the applicable Pricing Supplement.

“**Relevant Level**” means, in respect of any Index and any Averaging Date, the level of such Index as determined by the Calculation Agent as of the Valuation Time on such Averaging Date PROVIDED that Relevant Level will mean the Settlement Price relating to that Index as determined by the Calculation Agent on such Averaging Date if such date occurs on the Settlement Day for that Index.

“Settlement Day” means, in respect of any Index, the day occurring within the month prior to the Valuation Date which options contracts or futures contracts relating to that Index are settled on their Related Exchange.

“Settlement Price” means, in respect of any Index, the official settlement price of options contracts or futures contracts relating to that Index as determined by the Calculation Agent on any Valuation Date, Averaging Date, Knock-in Determination Day, Knock-out Determination Day, Automatic Early Redemption Averaging Date or Automatic Early Redemption Valuation Date for that Index.

“Single Exchange Index” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, that the component securities of such Index are or deemed to be traded on the same exchange and accordingly that the definitions comprised herein relating to the Single Exchange Index shall apply to such Index.

“Weighting” or **“Wi”** means, in respect of each Index comprised in the Basket, the percentage in respect of such Index specified as such in the applicable Pricing Supplement.

“>” means that the item or number preceding this sign will be higher than the item or number following this sign.

“<” means that the item or number preceding this sign will be lower than the item or number following this sign.

“≥” means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

“≤” means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

“| |” or **“Abs ()”** means the absolute value of the item or number inside the brackets.

“%” means percent, i.e. a fraction of 100. For avoidance of doubt, 1% or 1 percent is equal to 0.01.

(ii) Definitions specific to Single Exchange Index-Linked Notes

“Exchange” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, the exchange or quotation system as determined by the Calculation Agent which is on the Issue Date specified as such or otherwise specified in the applicable Pricing Supplement, or any successor to such exchange or any substitute exchange or quotation system to which trading in the shares underlying this Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the shares underlying this Index on such temporary substitute exchange or quotation system as on the original Exchange).

“Exchange Business Day” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, any Scheduled Trading Day on which the relevant Exchange and, if any, the relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, such Related Exchange closing prior to its Scheduled Closing Time.

“Index Sponsor” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to this Index and (b) announces (directly or through an agent) the level of this Index on a regular basis during each relevant Scheduled Trading Day, which is on the Issue Date specified as such in the applicable Pricing Supplement, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Related Exchange” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, the exchange or quotation system where futures or options contracts relating to the Index are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified in the applicable Pricing Supplement, or any successor to such exchange or any substitute exchange or quotation system to which trading in futures or options contracts relating to this 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 this Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

“Scheduled Closing Time” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index and in respect of the relevant Exchange or, if any, the relevant Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or, if any, the Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

“Scheduled Trading Day” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“Valuation Time” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, the time specified as such in the applicable Pricing Supplement or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date. If such Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

(iii) Definitions specific to Multi Exchange Index-Linked Notes

“Exchange” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index and in respect of each component security of this Index (each, a **“Component Security”**), the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent which is on the Issue Date specified as such or otherwise specified in the applicable Pricing Supplement, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Exchange Business Day” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, any Scheduled Trading Day on which: (i) the relevant Index Sponsor publishes the level of this Index and, if any, (ii) the relevant Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or, if any, the relevant Related Exchange closing prior to its Scheduled Closing Time.

“Index Sponsor” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to this Index and (b) announces (directly or through an agent) the level of this Index on a regular basis during each Scheduled Trading Day, which is on the Issue Date specified as such in the applicable Pricing Supplement, subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below.

“Related Exchange” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, the exchange or quotation system where futures or options contracts relating to the Index are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified in the applicable Pricing Supplement, or any successor to such exchange or any substitute exchange or quotation system to which trading in futures or options contracts relating to this 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 this Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

“Scheduled Closing Time” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index and in respect of each Component Security, the scheduled weekday closing time of the relevant Exchange, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

“Scheduled Trading Day” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, any day on which: (i) the relevant Index Sponsor is scheduled to publish the level of this Index; and (ii) the relevant Related Exchange is scheduled to be open for trading for its regular trading session.

“Valuation Time” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (a) in respect of any Component Security, the Scheduled Closing Time on the relevant Exchange in respect of such Component Security, and (b) in respect of any options contracts or future contracts on this Index, the close of trading on the relevant Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of this Index is calculated and published by the relevant Index Sponsor.

(b) Valuation

(i) Strike Date

“Strike Date” means, in respect of any Index, the date specified as such in the applicable Pricing Supplement or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) below.

“Scheduled Strike Date” means, in respect of any Index, the original date that, but for the occurrence of an event causing a Disrupted Day, would have been the Strike Date.

(ii) Valuation Date

“Valuation Date” means, in respect of any Index, each date specified as such in the applicable Pricing Supplement or, if any of such dates is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) below.

“Scheduled Valuation Date” means, in respect of any Index, the original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

(iii) Averaging Date

“Averaging Date” means, in respect of any Index, each date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Valid Date, subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) below.

“Valid Date” means, in respect of any Index, a relevant Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

(c) Consequences of Disrupted Day(s)

(i) Definitions

(A) Definitions specific to Single Exchange Index-Linked Notes

“Disrupted Day” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, any Scheduled Trading Day on which the Exchange or, if any, the Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

“Early Closure” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, the closure on any Exchange Business Day of any relevant Exchange relating to securities that comprise 20 percent or more of the level of this Index or, if any, the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, the Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or any Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

“Exchange Disruption” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, securities that comprise 20 percent or more of the level of this Index on any relevant Exchange relating to securities that comprise 20 percent 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 the relevant Related Exchange.

“Market Disruption Event” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, 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 (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of this Index shall be based on a comparison of (x) the portion of the level of this Index attributable to that security and (y) the overall level of this Index, in each case immediately before the occurrence of such Market Disruption Event.

“Trading Disruption” means, in respect of any Index specified in the applicable Pricing Supplement to be a Single Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise (i) on any relevant Exchange relating to securities that comprise 20 percent or more of the level of this Index, or (ii) in futures or options contracts relating to this Index on the relevant Related Exchange.

(B) Definitions specific to Multi Exchange Index-Linked Notes

“Disrupted Day” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor fails to publish the level of this Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

“Early Closure” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or, if any, the Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or, if any, the Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

“Exchange Disruption” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the

Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to this Index on the Related Exchange.

“Market Disruption Event” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, either:

- (1) the occurrence or existence, in respect of any Component Security, of:
 - (a) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; AND/OR
 - (b) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; AND/OR
 - (c) an Early Closure in respect of such Component Security; AND
 - (d) the aggregate of all Component Securities in respect of which a Trading Disruption and/or, an Exchange Disruption and/or an Early Closure occurs or exists comprises 20 percent or more of the level of this Index; OR
- (2) the occurrence or existence, in respect of futures or options contracts relating to this Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of this Index shall be based on a comparison of (x) the portion of the level of this Index attributable to that Component Security to (y) the overall level of this Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market “opening data”.

“Trading Disruption” means, in respect of any Index specified in the applicable Pricing Supplement to be a Multi Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to this Index on the Related Exchange.

(ii) Provisions

(A) Strike Date

If, in respect of any Index, the Strike Date is a Disrupted Day, then the Strike Date for this Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, for this Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Relevant Level of such Index on the Strike Date shall be determined by the Calculation Agent as of the Valuation Time on the Ultimate Strike Date in accordance with (subject to “Particular Provisions” set in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the relevant Exchange traded or quoted price as of the Valuation Time on the Ultimate Strike Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Strike Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Strike Date).

“Ultimate Strike Date” means, in respect of any Index, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(B) Valuation Date

If, in respect of any Index, any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date for this Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) relevant Relevant Level of such Index on such Valuation Date shall be determined by the Calculation Agent as of the Valuation Time on that Ultimate Valuation Date in accordance with (subject to “Particular Provisions” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) the formula for and method of calculating this Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on such Ultimate Valuation Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Ultimate Valuation Date, its

good faith estimate of the value for the relevant security as of the Valuation Time on such Ultimate Valuation Date).

“Ultimate Valuation Date” means, in respect of any Index and Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(C) Averaging Date

If, in respect of any Index, any Averaging Date is a Disrupted Day, then this Averaging Date for this Index shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date for this Index (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) Relevant Level of such Index on such Averaging Date shall be determined by the Calculation Agent as of the Valuation Time in accordance with (subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Ultimate Averaging Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Averaging Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Averaging Date).

“Ultimate Averaging Date” means, in respect of any Index, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(D) Knock-in Event and Knock-out Event

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Pricing Supplement is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Pricing Supplement is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the level of the Index triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

(d) Knock-in Event and Knock-out Event

(i) Common definitions for Single Exchange Index Linked Notes and Multi Exchange Index Linked Notes

(A) Knock-in Event

“Knock-in Event” means (unless otherwise specified in the applicable Pricing Supplement) either:

- (1) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, that the level of the Knock-in Index as of the Knock-in Valuation Time on any Knock-in Determination Day as determined by the Calculation Agent,

OR

- (2) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, that the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the level of such Index as of the Knock-in Valuation Time on any Knock-in Determination Day and (ii) the relevant Weighting is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Knock-in Level.

If **“Knock-in Event”** is specified as applicable in the Pricing Supplement, then, unless otherwise specified in such Pricing Supplement, amendment to the terms of the Notes (as specified in the applicable Pricing Supplement) and/or payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

“Knock-in Index” means the Index specified as such in the applicable Pricing Supplement.

“Knock-in Level” means either

- (1) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, in respect of any Index, the level of such Index specified as such or otherwise determined in the applicable Pricing Supplement,

OR

- (2) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, the level per Basket specified as such or otherwise determined in the applicable Pricing Supplement, subject to adjustment from time to time in accordance with the provisions set forth in Condition (f) (*Particular Provisions*) below and to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“Knock-in Determination Day” means, in respect of any Index, each Scheduled Trading Day during the Knock-in Determination Period subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“Knock-in Determination Period” means, in respect of any Index, the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

“Knock-in Period Beginning Date” means, in respect of any Index, the date specified as such in the applicable Pricing Supplement or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“Knock-in Period Ending Date” means, in respect of any Index, the date specified as such in the applicable Pricing Supplement or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“Knock-in Valuation Time” means, in respect of any Index, the time or period of time on any Knock-in Determination Day specified as such in the applicable Pricing Supplement or in the event that the applicable Pricing Supplement do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) Knock-out Event

“Knock-out Event” means (unless otherwise specified in the applicable Pricing Supplement) either:

- (1) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, that the level of the Knock-out Index as of the Knock-out Valuation Time on any Knock-out Determination Day as determined by the Calculation Agent,

OR

- (2) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, that the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the level of such Index as of the Knock-out Valuation Time on any Knock-out Determination Day and (ii) the relevant Weighting,

is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Knock-out Level.

If **“Knock-out Event”** is specified as applicable in the Pricing Supplement, then, unless otherwise specified in such Pricing Supplement, amendment to the terms of the Notes (as specified in the applicable Pricing Supplement) and/or payment under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

“Knock-out Index” means the Index specified as such in the applicable Pricing Supplement.

“Knock-out Level” means either:

- (1) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, in respect of any Index, the level of such Index specified as such or otherwise determined in the applicable Pricing Supplement,

OR

- (2) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, the level per Basket specified as such or otherwise determined in the applicable Pricing Supplement,

subject to adjustment from time to time in accordance with the provisions set forth in Condition (f) (*Particular Provisions*) below and to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“**Knock-out Determination Day**” means, in respect of any Index, each Scheduled Trading Day during the Knock-out Determination Period subject to “Consequences of Disrupted Day(s)” set forth in Condition (c) (*Consequences of Disrupted Day(s)*) above.

“**Knock-out Determination Period**” means, in respect of any Index, the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

“**Knock-out Period Beginning Date**” means, in respect of any Index, the date specified as such in the applicable Pricing Supplement or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“**Knock-out Period Ending Date**” means, in respect of any Index, the date specified as such in the applicable Pricing Supplement or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Pricing Supplement and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

“**Knock-out Valuation Time**” means, in respect of any Index, the time or period of time on any Knock-out Determination Day specified as such in the applicable Pricing Supplement or in the event that the applicable Pricing Supplement do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

(e) Automatic Early Redemption

(i) Common definitions and provisions for Single Exchange Index and Multi Exchange Index

(a) Definitions

“**Automatic Early Redemption Averaging Date**” means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Pricing Supplement or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to “Consequences of Disrupted Day(s)” set forth below.

“**Automatic Early Redemption Date**” means each date specified as such in the applicable Pricing Supplement, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Pricing Supplement.

“**Automatic Early Redemption Event**” means (unless otherwise specified in the applicable Pricing Supplement) that the Basket Level is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Automatic Early Redemption Level.

Automatic Early Redemption Level” means either:

(1) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, in respect of any Index, the level of such Index specified as such or otherwise determined in the applicable Pricing Supplement,

OR

- (2) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, the level per Basket specified as such or otherwise determined in the applicable Pricing Supplement,

subject to “Adjustment to the Index” set forth in Condition (f) (*Particular Provisions*) below.

“Automatic Early Redemption Observation Period” means each period specified as such in the applicable Pricing Supplement.

“Automatic Early Redemption Rate” means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Pricing Supplement.

“Automatic Early Redemption Valid Date” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

“Automatic Early Redemption Valuation Date” means each date specified as such in the applicable Pricing Supplement or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to “Consequences of Disrupted Day(s)” set forth below.

“Basket Level” means either:

- (1) if Separate Valuation is specified as applicable in the applicable Pricing Supplement:

- (a) in respect of any Index and any Automatic Early Redemption Valuation Date, the level of such Index as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date PROVIDED that Basket Level will mean the Settlement Price relating to that Index as determined by the Calculation Agent on such Automatic Early Redemption Valuation Date if such date occurs on the Settlement Day for that Index;

OR

- (b) in respect of any Index and the Automatic Early Redemption Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Index is valued (with halves being rounded up)) of the Relevant Levels of such Index on each of such Automatic Early Redemption Averaging Dates PROVIDED that Basket Level will mean the Settlement Price relating to that Index as determined by the Calculation Agent on such Automatic Early Redemption Averaging Date if such date occurs on the Settlement Day for that Index;

AND

- (2) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement:

- (a) in respect of any Automatic Early Redemption Valuation Date, an amount for the Basket determined by the Calculation

Agent equal to the sum of the values of each Index as the product of (i) the Relevant Level of such Index on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting

OR

- (b) in respect of the Automatic Early Redemption Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Automatic Early Redemption Averaging Dates as the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Levels of such Index on each of such Automatic Early Redemption Averaging Dates and (ii) the relevant Weighting.

“Scheduled Automatic Early Redemption Valuation Date” means, in respect of any Index, the original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Automatic Early Redemption Valuation Date.

- (ii) Consequences of the occurrence of an Automatic Early Redemption Event

If **“Automatic Early Redemption Event”** is specified as applicable in the Pricing Supplement, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the relevant Issuer on such date upon redemption of each Note shall be an amount in the Specified Currency specified in the applicable Pricing Supplement equal to the relevant Automatic Early Redemption Amount.

“Automatic Early Redemption Amount” means (a) an amount in the Specified Currency specified as such in the applicable Pricing Supplement or if such amount is not specified, (b) the product of (i) the denomination of each Note and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

- (iii) Consequences of Disrupted Days

- (A) Automatic Early Redemption Valuation Date

- (1) If, in respect of any Index, any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date for this Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.
- (2) In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date for this Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Relevant Level of such Index on such Automatic Early Redemption Valuation Date shall be determined by the Calculation Agent as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date in accordance with

(subject to “Adjustments to the Index” set forth in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Valuation Date, its good faith estimate of the value for the relevant security as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date).

“Ultimate Automatic Early Redemption Valuation Date” means, in respect of any Index and in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(B) Automatic Early Redemption Averaging Date

If, in respect of any Index, any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date for this Index shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date for this Index shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date in accordance with (subject to “Adjustments to the Index” set forth in Condition (f) (*Particular Provisions*) below) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Averaging Date, its good faith estimate of the value for the relevant security as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date).

“Ultimate Automatic Early Redemption Averaging Date” means, in respect of any Index and any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

“Specific Number” means the number specified as such in the applicable Pricing Supplement or if no number is specified the Specific Number shall be deemed equal to eight.

(f) Particular Provisions

- (i) If any Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or
- (ii) replaced by a successor index using, in the determination of the Calculation Agent,

the same or a substantially similar formula for and method of calculation as used in the calculation of this Index, then in each case that index (the “**Successor Index**”) will be deemed to be such Index and the Conditions shall be construed accordingly.

- (ii) If, in respect of any Index, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the relevant Index Sponsor (a) announces that it will make a material change in the formula for or the method of calculating this Index or in any other way materially modifies this Index (other than a modification prescribed in that formula or method to maintain this Index in the event of changes in constituent stock and capitalization and other routine events) (an “**Index Modification**”) or permanently cancels this Index and no Successor Index exists (an “**Index Cancellation**”) or (b) fails to calculate and announce this Index (an “**Index Disruption**” (provided for the avoidance of doubt that a successor sponsor calculating and announcing this Index determined as unacceptable by the Calculation Agent shall be an Index Disruption) and together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”), then the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, either to:
 - (A) calculate the level of this Index in accordance with the formula for and method of calculating this Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised this Index immediately prior to the Index Adjustment Event; or (but not and)
 - (B) replace this Index by this Index as so modified or by the new index (as the case may be), provided that in such case, (a) the Calculation Agent will make such adjustments to the new index as may be required in order to preserve the economic equivalent of the obligation of the relevant Issuer to make payment of any amount due and payable under the Notes linked to this Index as if such new or modified index had not replaced this Index and, if need be, will multiply the modified or new index by a linking coefficient to do so as determined by the Calculation Agent and (b) the Noteholders will be notified of the modified Index or the new index (as the case may be) and, if need be, of the linking coefficient; or (but not and)
 - (C) require the relevant Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Business Day following notification by the Calculation Agent to the Issuer that the Calculation Agent has determined that the event referred to in the foregoing subparagraph (B) has occurred.
- (iii) If, in respect of any Index, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, a Change in Law or a Hedging Disruption or an Increased Cost of Hedging occurs, then the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, to require the relevant Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Business Day following notification by the Calculation Agent to the Issuer that the Calculation Agent has determined that the event referred to in the foregoing paragraph (ii) has occurred.

Where:

“**Change in Law**” means that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out

Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange (an “**Applicable Regulation**”), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the relevant Issuer determines that (X) it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

“**Hedge Positions**” means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by Natixis in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

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

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

“**Increased Cost of Hedging**” means that Natixis and/or its affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of Natixis entering into and performing its obligations with respect to the Notes, or (ii) realize, 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 Natixis and/or its affiliates shall not be deemed an Increased Cost of Hedging.

- (iv) In the event that, in respect of any Index, any level announced by the relevant Index Sponsor which is utilized by the Calculation Agent for any determination (the “**Original Determination**”) is subsequently corrected and the correction (the “**Corrected Value**”) is announced by this Index Sponsor within two Scheduled Trading Days after the original publication and in any case not later than the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination, then the Calculation Agent will notify the relevant Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the “**Replacement Determination**”) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it considers it to be necessary, the Calculation Agent may, in its sole and absolute discretion, adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the relevant Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original Determination is announced by this Index Sponsor after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

- (v) The Calculation Agent shall as soon as practicable provide detailed notice of any determinations and/or adjustments, as the case may be, made and notified to the relevant Issuer by the Calculation Agent pursuant to the paragraphs (i), (ii) and (iv) of this Condition (f) (*Particular Provisions*), whereupon the Issuer shall promptly provide detailed notice to the Fiscal Agent and to the Noteholders in accordance with the Conditions of such determinations and/or adjustments made and notified by the Calculation Agent.

(g) Range Accrual

(i) Definitions

“Range Accrual Rate” means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal (unless otherwise specified in the applicable Pricing Supplement) to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

“Monitoring Day” means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is (unless otherwise specified in the applicable Pricing Supplement) a Scheduled Trading Day for each Index comprising the Basket, subject to Condition (c) (*Consequences of Disrupted Day(s)*) set forth above.

“Monitoring Period” means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

“Number of Monitoring Days” means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

“Number of Triggering Days” means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

“Reference Dates” means the dates specified as such in the applicable Pricing Supplement or (unless otherwise specified in the applicable Pricing Supplement), if any of such dates is not a Monitoring Day, the next following Monitoring Day.

“Triggering Day” means any Monitoring Day where either:

- (A) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, the level of the Triggering Index as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day;

OR

- (B) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the level of such Index as determined by the Calculation Agent as of

the Trigger Valuation Time on such Monitoring Day and (ii) the relevant Weighting,

is, as specified in the applicable Pricing Supplement, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the relevant Trigger Level.

“**Trigger Level**” means either:

(A) if Separate Valuation is specified as applicable in the applicable Pricing Supplement, in respect of any Index, the level of such Index specified as such or otherwise determined in the applicable Pricing Supplement;

OR

(B) if Separate Valuation is specified as not applicable in the applicable Pricing Supplement, the level per Basket specified as such or otherwise determined in the applicable Pricing Supplement,

subject to “Particular Provisions” set forth in Condition (f) (*Particular Provisions*) above.

“**Triggering Index**” means, if Separate Valuation is specified as applicable in the applicable Pricing Supplement and in respect of any Monitoring Day, the Index specified as such in the applicable Pricing Supplement.

“**Trigger Valuation Time**” means, in respect of any Index, the time or period of time on any Monitoring Day specified as such in the applicable Pricing Supplement or in the event that the applicable Pricing Supplement do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(ii) Provisions

If “**Range Accrual**” is specified as applicable in the Pricing Supplement, then the provisions comprised in this Condition (g) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(iii) Consequences of Disrupted Days

Unless otherwise specified in the applicable Pricing Supplement, if any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

CERTAIN ADDITIONAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

United States Taxation

This tax disclosure in this product supplement supplements, and to the extent inconsistent, supersedes, the tax disclosure in the Base Offering Memorandum under the heading “Taxation”.

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a U.S. Holder (as defined below) of a Note. This summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change.

This summary deals only with initial holders that will hold Notes as capital assets, and does not address tax considerations applicable to investors that may be subject to special tax rules, such as banks, tax-exempt entities, insurance companies, dealers in securities or currencies, traders in securities electing to mark to market, a partnership or entity taxed as such or the partners therein, persons that will hold Notes as a position in a “straddle” or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction or persons that have a “functional currency” other than the U.S. dollar.

For purposes of this discussion, a “U.S. Holder” is a holder of a Note that is an individual who is a citizen or resident of the United States or a domestic U.S. corporation or a person that otherwise is subject to U.S. federal income taxation on a net income basis in respect of a Note.

Investors should consult their own tax advisors in determining the tax consequences to them of holding the Notes, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.

The following discussion assumes that none of the Companies whose stock is included in the index is or will become at any time during the term of the Notes, a passive foreign investment company for U.S. federal income tax purposes. Prospective investors should note that if that assumption is not accurate, then it is possible that the U.S. federal income tax consequences of owning the Notes would differ significantly from the consequences described below.

United States Internal Revenue Service (the “IRS”) Circular 230 Notice: To ensure compliance with IRS Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Product Supplement or the Base Offering Memorandum or any document referred to herein or therein (including any pricing supplement) is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

Scope. *Depending on the relevant economic terms of the Notes, including whether holders of the Notes have principal protection, the Notes may be characterized for U.S. federal income tax purposes as (1) indebtedness, (2) forward contracts or (3) other financial derivatives. The following discussion addresses the consequences to holders of Index Linked Notes (“Linked Notes”) that are issued in U.S. Dollars and include (1) Notes that are principal protected, (ii) Notes that pay a periodic fixed coupon and at maturity require a holder to purchase a fixed number of shares of the underlying indices, funds or other interest (the “Underlying Assets”) if the value of the Underlying Asset is below a specified price (a “Reverse Convertible Note”) or (iii) a contract to buy or sell property at a fixed time for a fixed price in accordance with the terms of the note (a “Forward Contract Note”). The characterization of a Linked Note will be set forth in the applicable Pricing Supplement. Any special U.S. federal income tax considerations relevant to a particular issue of Notes will be provided in the applicable Pricing Supplement.*

Principal-Protected Notes

In general, Notes will be treated as indebtedness for U.S. federal income tax purposes if they provide for full principal protection. Notes may also be treated as indebtedness for U.S. federal income tax purposes under certain other very limited circumstances. The following discussion applies to Notes that are characterized as indebtedness for U.S. federal income tax purposes (“Linked Debt Notes”).

The following discussion is limited to Linked Debt Notes issued at par (a) that pay interest in cash on a periodic basis at least annually throughout the term of the Linked Debt Note and that satisfy certain other conditions, and that qualify as a “variable rate debt instrument” for U.S. federal income tax purposes (a “Variable Rate Linked Debt Note”), or (b) that have a term of more than one year and a single market linked interest payment at maturity, or that are otherwise subject to U.S. Treasury regulations governing contingent debt instruments (a “Contingent Linked Debt Note”) or (c) that have a maturity of one year or less and that provide for contingent interest payments (a “Contingent Short-Term Linked Debt Note”). This discussion does not address Linked Debt Notes that are not described in the previous sentence, including Linked Debt Notes with interest determined by reference to one or more foreign currencies or Linked Debt Notes with extendable maturity dates or that are subject to automatic renewal or rollover, which may be subject to rules not described herein. The U.S. federal income tax treatment of Linked Debt Notes that are not discussed herein will be discussed in the applicable Pricing Supplement. The applicable Pricing Supplement will indicate whether a Linked Debt Note is a Variable Rate Linked Debt Note, a Contingent Linked Debt Note, a Contingent Short-Term Linked Debt Note or is subject to different rules, and will describe any additional applicable rules.

Variable Rate Linked Debt Instruments

Taxation of Interest. A Linked Debt Note generally will qualify as a “variable rate debt instrument” under applicable U.S. Treasury regulations if interest on the Note is payable at least annually at a “qualified floating rate” or at an “objective rate” and certain other conditions are met. A “qualified floating rate” is generally any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the variable rate debt instrument is denominated. An “objective rate” is generally a rate that is not itself a qualified floating rate, but which is determined using a single fixed formula and which is based on objective financial or economic information. Amounts received as interest on a Variable Rate Linked Debt Note will be taxable to a U.S. Holder as ordinary interest income at the time that such payments are accrued or are received, in accordance with the U.S. Holder’s method of tax accounting.

Disposition of Variable Rate Linked Debt Note. Upon the sale, exchange, redemption or retirement of a Variable Rate Linked Debt Note, a U.S. Holder generally will recognize capital gain or loss equal to the difference between the amount realized on the sale, exchange, redemption or retirement and the U.S. Holder’s tax basis in such Variable Rate Linked Debt Note. A U.S. Holder’s tax basis in a Variable Rate Linked Debt Note generally will equal the cost of such Linked Debt Note to such U.S. Holder. Gain or loss recognized by a U.S. Holder generally will be long-term capital gain or loss if the U.S. Holder has held the Linked Debt Note for more than one year at the time of disposition. Long-term capital gains recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deductibility of capital losses is subject to limitations.

Contingent Payment Debt Instruments

Except as otherwise set forth in the applicable Pricing Supplement, Linked Debt Notes with a term greater than one year that do not meet the requirements for variable rate debt instruments (described above) generally will be treated as contingent payment debt instruments. Each holder, by accepting a Contingent Linked Debt Note, agrees to this treatment and to report all income (or loss) with respect to the Contingent Linked Debt Note in accordance with the U.S. Treasury regulations governing contingent debt instruments (the “Contingent Debt Regulations”). The remainder of this discussion assumes the treatment of each Linked Debt Note as a single debt instrument subject to the Contingent Debt Regulations and the holder’s agreement thereto.

Taxation of Interest. A U.S. Holder of a Contingent Linked Debt Note will recognize income (or loss) on a Contingent Linked Debt Note in accordance with the Contingent Debt Regulations. The Contingent Debt Regulations requires the application of a “noncontingent bond method” to determine accruals of income, gain, loss and deductions with respect to a contingent debt obligation.

Contingent Linked Debt Notes will be issued at par. However, the Contingent Linked Debt Notes will be issued with original issue discount for U.S. federal income tax purposes (“OID”), and a U.S. Holder will be required to accrue income on the Contingent Linked Debt Notes as set forth below, provided that the Note has a term of more than one year.

At the time the Contingent Linked Debt Notes are issued, the relevant Issuer will be required to determine a “comparable yield” for the Contingent Linked Debt Notes that takes into account the yield at which such Issuer could issue a fixed rate debt instrument with terms similar to those of the Contingent Linked Debt Notes (including the level of subordination, term, timing of payments and general market conditions, but excluding any adjustments for liquidity or the riskiness of the contingencies with respect to the Contingent Linked Debt Notes). The comparable yield may be greater than or less than the stated interest rate, if any, with respect to the Contingent Linked Debt Notes.

Solely for purposes of determining the amount of interest income that a U.S. Holder will be required to accrue, the relevant Issuer will be required to construct a “projected payment schedule” in respect of the Contingent Linked Debt Notes representing a series of payments the amount and timing of which would produce a yield to maturity on the Contingent Linked Debt Notes equal to the comparable yield. NEITHER THE COMPARABLE YIELD NOR THE PROJECTED PAYMENT SCHEDULE CONSTITUTES A REPRESENTATION BY THE RELEVANT ISSUER REGARDING THE ACTUAL AMOUNT THAT THE CONTINGENT LINKED DEBT NOTES WILL PAY. For U.S. federal income tax purposes, a U.S. Holder is required to use the comparable yield and the projected payment schedule established by the relevant Issuer in determining interest accruals and adjustments in respect of a Contingent Linked Debt Note, unless such U.S. Holder timely discloses and justifies the use of other accruals and adjustments to the IRS. The relevant Issuer will provide the comparable yield and projected payment schedule, or instructions on how to obtain that information, in the applicable pricing supplement.

Based on the comparable yield and the issue price of the Contingent Linked Debt Notes, a U.S. Holder of a Contingent Linked Debt Note (regardless of accounting method) will be required to accrue as OID the sum of the daily portions of interest on the Contingent Linked Debt Note for each day in the taxable year on which the holder held the Contingent Linked Debt Note, adjusted upward or downward to reflect the difference, if any, between the actual and the projected amount of any contingent payments on the Contingent Linked Debt Note (as set forth below). The daily portions of interest in respect of a Contingent Linked Debt Note are determined by allocating to each day in an accrual period the taxable portion of interest on the Contingent Linked Debt Note that accrues in the accrual period. The amount of interest on a Contingent Linked Debt Note that accrues in an accrual period is the product of the comparable yield on the Contingent Linked Debt Note (adjusted to reflect the length of the accrual period) and the adjusted issue price of a Contingent Linked Debt Note. The adjusted issue price of a Contingent Linked Debt Note at the beginning of the first accrual period will equal its issue price and for any accrual period thereafter will be (x) the sum of the issue price of such Contingent Linked Debt Notes and any interest previously accrued thereon by a holder (disregarding any positive or negative adjustments) minus (y) the amount of any projected payments on the Contingent Linked Debt Note for previous accrual periods.

Adjustments to Interest Accruals on the Notes. A U.S. Holder will be required to recognize interest income equal to the amount of any positive adjustment (i.e., the excess of actual payments over projected payments) in respect of a Contingent Linked Debt Note for a taxable year. A negative adjustment (i.e., the excess of projected payments over actual payments) in respect of a Contingent Linked Debt Note for a taxable year (i) will first reduce the amount of interest in respect of the Contingent Linked Debt Note that a U.S. Holder would otherwise be required to include in income in the taxable year and (ii) to the extent that the negative adjustment exceeds the amount described in (i), will give rise to an ordinary loss, up to the amount by which the holder’s total interest inclusions on the debt instrument in prior taxable years exceed the total amount of the holder’s net negative adjustments treated as ordinary loss on the debt instrument in prior taxable years. A net negative adjustment is not subject to the two percent floor limitation imposed on miscellaneous deductions under section 67 of the Internal Revenue Code (the “Code”). Any negative adjustment in excess of the amounts described above in (i) and (ii) will be carried forward to offset future interest income in respect of the Contingent Linked Debt Note or to reduce the amount realized on a sale, exchange or retirement of the Contingent Linked Debt Note.

U.S. Holders should be aware that the information statements they receive from their brokers (on an IRS Form 1099) stating accrued OID in respect of the Notes may not take net negative or positive adjustments into account, and thus may overstate or understate the holders' interest inclusions.

Disposition of the Notes. Upon a sale, exchange or retirement of a Contingent Linked Debt Note (including a repurchase or redemption of the Note at the option of the relevant Issuer or the holder), a U.S. Holder generally will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and such holder's tax basis in the Contingent Linked Debt Note. If the relevant Issuer delivers property (other than cash) to a holder in retirement of a Contingent Linked Debt Note, the amount realized will equal the fair market value of the property, determined at the time of such retirement, plus the amount of cash, if any, received in lieu of property. A U.S. Holder's tax basis in a Contingent Linked Debt Note will equal the cost thereof, increased by the amount of interest income previously accrued by the holder in respect of the Contingent Linked Debt Note (disregarding any positive or negative adjustment) and decreased by the amount of all prior projected payments in respect of the Contingent Linked Debt Note (without regard to the actual amount paid). Any gain realized by a U.S. Holder on a disposition of a Contingent Linked Debt Note generally will be treated as ordinary interest income. Any loss realized by a U.S. Holder on a disposition generally will be treated as an ordinary loss to the extent of the U.S. Holder's OID inclusions with respect to the Note up to the date of disposition. Any loss realized in excess of such amount generally will be treated as a capital loss. The deduction of capital losses is subject to limitations.

A U.S. Holder will have a tax basis in any property (other than cash) received upon any payment on or the retirement of a Contingent Linked Debt Note equal to the fair market value of such property, determined at the time of such retirement.

Fixed but Deferred Contingent Payments. Subject to the discussion in the first following paragraph, if a contingent payment in respect of a Contingent Linked Debt Note becomes fixed more than six months prior to the date such payment is scheduled to be made, the U.S. Holder of such Note will incur a positive adjustment or negative adjustment on such date under the Contingent Payment Regulations, depending on whether the amount so fixed is greater than or less than the projected amount of the contingent payment, respectively. The amount of any such adjustment will be equal to the difference between the present value of the amount that is fixed and the present value of the projected amount of the contingent payment, measured as of the date the contingent amount becomes fixed and determined using a discount rate equal to the comparable yield. The amount of such a positive adjustment or negative adjustment will increase or decrease, respectively, the adjusted issue price of the Note and the U.S. Holder's tax basis in the Note. The projected payment schedule will be modified prospectively to reflect the fixed amount of the payment on the date that the contingent payment becomes fixed, so that when the contingent payment is actually made no adjustment will be required. The accrual period of the Note will end on the date that the contingent payment becomes fixed, and a new accrual period will begin on the following day.

Notwithstanding the foregoing, if all contingent payments on a Contingent Linked Debt Note were to become fixed substantially contemporaneously more than six months prior to its maturity, any positive or negative adjustments on the instrument must be taken into account in a reasonable manner over the period to which they relate. Also, if contingent stated interest payments are adjusted to compensate for contingencies regarding the reasonableness of the debt instrument's stated rate of interest, such contingent stated interest payments are recognized over the period to which they relate in a reasonable manner.

U.S. Holders should be aware that the Form 1099-OID reporting interest accruals on such Contingent Linked Debt Notes that they may receive may *not* take the adjustments described in the two preceding paragraphs into account, and thus may overstate or understate the U.S. Holders' interest inclusions.

Contingent Short-Term Linked Debt Notes.

The tax consequences to a U.S. Holder of a Contingent Short-Term Linked Debt Note are not clear. Under the special rules applicable to Short-Term Notes, a U.S. Holder using an accrual method of accounting generally is required to accrue original issue discount with respect to a Note, as described above. However, the rules applicable to Short-Term Notes do not address how to accrue income with respect to a future contingent payment. Moreover, the Contingent Payment Regulations that require U.S. Holders to accrue interest income regardless of their method of accounting do not apply to Short-Term Notes. Taxpayers using an accrual method of accounting generally are

not required to include amounts in income until all the events have occurred that fix the right to receive the income and the amount of the income can be determined with reasonable accuracy. Accordingly, although no assurances can be provided in this regard, it appears that in the case of Contingent Short-Term Linked Debt Notes, a U.S. Holder using the accrual method of accounting should not be required to include amounts in income prior to the date on which the amount of such payment becomes fixed, while a U.S. Holder using the cash method of accounting generally should include such amounts in income at the time that such payment is received.

Reverse Convertible Notes and Forward Contract Notes

The following discussion applies to Notes that may be characterized as either a Reverse Convertible Note, a Forward Contract Note or in some other manner, rather than as debt. The applicable Pricing Supplement will indicate whether a Linked Note is a Reverse Convertible Note, a Forward Contract Note or is subject to different rules and will describe any additional applicable rules.

Consequences of Reverse Convertible Notes

Unless otherwise specified in an applicable Pricing Supplement, in purchasing a Reverse Convertible Note, each holder and the relevant Issuer agree to treat such Note for U.S. federal income tax purposes as a grant by the holder to the Issuer of an option on a forward contract, pursuant to which forward contract each holder will purchase from the Issuer Underlying Assets, and under which option (a) at the time of issuance of the Notes the holder deposits irrevocably with the relevant Issuer a fixed amount of cash to assure the fulfillment of the holder's purchase obligation described in clause (d) below, (b) until maturity the relevant Issuer will be obligated to pay interest to the holder, as compensation for the use of such cash deposit during the term of the Reverse Convertible Notes, (c) the relevant Issuer will be obligated to pay an option premium to the holder in consideration for granting the option, which premium will be payable in a number of parts (as part of the coupon payments), (d) if pursuant to the terms of the Reverse Convertible Notes at maturity the holder is obligated to purchase Underlying Assets, then such cash deposit unconditionally and irrevocably will be applied by the Issuer in full satisfaction of the holder's purchase obligation under the Reverse Convertible Notes, and the relevant Issuer will deliver to the holder the number of Underlying Assets that the holder is entitled to receive (or the cash equivalent) at that time pursuant to the terms of the Reverse Convertible Notes, and (e) if pursuant to the terms of the Reverse Convertible Notes at maturity the holder is not obligated to purchase Underlying Assets, the relevant Issuer will return such cash deposit to the holder at maturity.

Under the above, agreed-to characterization of the Reverse Convertible Notes, (i) amounts paid to the Issuer in respect of the original issue of a Reverse Convertible Note will be treated as allocable in their entirety to the amount of the cash deposit attributable to such Note, (ii) amounts denominated as interest will be characterized as interest payable on the amount of such deposit, and will be includible in the income of a U.S. Holder as interest in the manner described below, and (iii) amounts denominated as option premium will be characterized as option premium, and will be includible in the income of a U.S. Holder in the manner described below. As discussed below, there is no assurance that the IRS will agree with this treatment, and alternative treatments of the Reverse Convertible Notes could result in less favorable U.S. federal income tax consequences to a holder, including a requirement to accrue additional income on a current basis or to recognize gain on the receipt of the cash equivalent of the Underlying Assets at maturity.

Taxation of Interest Payments. Except as discussed below, under the above, agreed-to characterization of the Reverse Convertible Notes, the interest payments will be included in the income of a U.S. Holder as interest at the time that such interest is accrued or received in accordance with such U.S. Holder's method of accounting.

Taxation of Option Premium Payments. Under the above, agreed-to characterization of the Reverse Convertible Notes, the option premium payments will not be included in the income of a U.S. Holder until the sale or other taxable disposition of the Reverse Convertible Notes or the retirement of the Reverse Convertible Notes. Upon the sale or other taxable disposition of the Reverse Convertible Notes or at maturity, as the case may be, the option premium payments will be treated in the manner described below.

Taxation of Retirement of a Reverse Convertible for Cash. Under the above, agreed-to, characterization of the Reverse Convertible Notes, if at maturity payment U.S. Holder receives cash then such U.S. Holder (i) would

include the last interest payment in income as interest in the manner described above and (ii) would recognize short-term capital gain or loss equal to the difference between (x) the sum of the cash received at maturity of the Reverse Convertible and the entire amount of all option premium payments (but not including any interest payment), and (y) its purchase price for the Reverse Convertible.

Taxation of Sale or other Taxable Disposition of a Reverse Convertible prior to Maturity. Under the above, agreed-to characterization of the Reverse Convertible Notes, upon the sale or other taxable disposition of a Reverse Convertible Note, a U.S. Holder generally will recognize short-term capital gain or loss equal to the difference between (x) an amount equal to the amount realized on the sale or other taxable disposition (to the extent such amount is not attributable to accrued but unpaid interest on the Reverse Convertible Notes, which will be taxed as such) plus the amount of option premium previously paid to such U.S. Holder, if any, and (y) such U.S. Holder's adjusted tax basis in the Reverse Convertible Notes. A U.S. Holder's adjusted tax basis in a Reverse Convertible Note generally will equal such U.S. Holder's cost for that Note.

Possible Alternative Characterizations. Due to the absence of authority as to the proper characterization of the Reverse Convertible Notes and the absence of any comparable instruments for which there is a widely accepted tax treatment, no assurance can be given that the IRS will accept, or that a court will uphold, the agreed-to characterization and tax treatment described above. Under any such alternative characterization, the timing and character of income from the Notes could differ substantially from that described above. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING POSSIBLE ALTERNATIVE CHARACTERIZATIONS OF THE REVERSE CONVERTIBLE NOTES. Under a possible alternative characterization of the Reverse Convertible Notes, for example, the IRS could seek to treat the Reverse Convertible Notes with a term to maturity greater than one year as contingent payment debt instruments, as described above under "Principal Protected Notes."

Regardless of the term to maturity of a Reverse Convertible Note, it is also possible that the IRS could seek to characterize the Reverse Convertible Note in a manner that results in tax consequences different from those described above. Under alternative characterizations of the Reverse Convertible Note, it is possible, for example, that the IRS could maintain that amounts denominated as option premium (i) should be includible in the U.S. Holder's income as interest in the manner described above regarding interest payments, or (ii) should be included in a U.S. Holder's income. Such treatment might arise, for example, if the IRS were successfully to maintain that amounts denominated as option premium (i) should be characterized for federal income tax purposes as interest, or (ii) should be treated as a return on the U.S. Holder's investment in the Reverse Convertible Note that constitutes income.

On December 7, 2007, the IRS and U.S. Treasury Department issued a notice requesting public comments on a comprehensive set of tax policy issues raised by prepaid forward contracts, which include financial instruments such as the Reverse Convertible Notes, including several different approaches under which U.S. Holders of prepaid forwards could be required to recognize ordinary income on a current basis, or could be treated as owning directly the assets subject to the prepaid forward. Although it is currently uncertain what future guidance will result from the notice, the notice leaves open the possibility that such guidance could have retroactive application.

Consequences of Forward Contract Notes

Unless otherwise specified in an applicable Pricing Supplement, in purchasing a Forward Contract Note, each holder and the Issuer agree to treat such Note for U.S. federal income tax purposes as a cash-settled forward contract on the value of the Underlying Assets at maturity under which an amount equal to the purchase price of the Forward Contract Note is treated as a non-interest-bearing cash deposit to be applied at maturity in full satisfaction of the holder's payment obligation under the forward contract. (Prospective investors should note that cash proceeds of offerings will not be segregated by the relevant Issuer during the term of the Forward Contract Notes, but instead will be commingled with such Issuer's other assets and applied in a manner consistent with the section "Use of Proceeds and Hedging" in the Base Offering Memorandum and as supplemented by any "Use of Proceeds and Hedging" section in the applicable Pricing Supplement.)

Taxation of Interest Payments. Under the characterization of the notes agreed to above, the interest payments, if any, will be included in the income of a U.S. Holder as interest at the time that such interest is accrued or received in accordance with the U.S. Holder's method of accounting.

Taxation of Sale or other Taxable Disposition of a Forward Contract Note prior to Maturity. Under the above, agreed-to characterization, a U.S. Holder's tax basis in a Forward Contract Note generally will equal the holder's cost for that Forward Contract Note. Upon the sale or other taxable disposition of a Forward Contract Note, a U.S. Holder generally will recognize gain or loss equal to the difference between the amount realized on the sale or other taxable disposition and the U.S. Holder's tax basis in the Forward Contract Notes. Such gain or loss generally will be long-term capital gain or loss if the U.S. Holder has held the Forward Contract Notes for more than one year at the time of disposition.

Taxation of Retirement of a Forward Contract Note for Cash. Under the above, agreed-to characterization, at maturity a U.S. Holder will recognize capital gain or loss equal to any difference between the amount of cash received from the Issuer and the U.S. Holder's tax basis in the Forward Contract Notes at that time. Such gain or loss generally will be long-term capital gain or loss if the U.S. Holder has held the Forward Contract Notes for more than one year at maturity.

Possible Alternative Characterizations. Due to the absence of authority as to the proper characterization of the Forward Contract Notes and the absence of any comparable instruments for which there is a widely accepted tax treatment, no assurance can be given that the IRS will accept, or that a court will uphold, the characterization of the Forward Contract Notes as cash-settled forward contracts and the tax treatment described above. In particular, the IRS could seek to analyze the federal income tax consequences of owning Forward Contract Notes under the Contingent Payment Regulations. Under alternative characterizations of the Forward Contract Notes, it is possible, for example, that a Forward Contract Note could be treated as including a debt instrument and a forward contract or two or more options.

It is also possible that future regulations or other IRS guidance would require holders to accrue income on the Forward Contract Notes on a current basis. The U.S. Treasury Department has issued proposed regulations that require current accrual of income with respect to contingent nonperiodic payments made under certain notional principal contracts. The preamble to the regulations states that the "wait and see" method of tax accounting does not properly reflect the economic accrual of income on such contracts, and requires a current accrual of income with respect to some contracts already in existence at the time the proposed regulations were released. While the proposed regulations do not apply to prepaid forward contracts, the preamble to the proposed regulations expresses the view that similar timing issues exist in the case of prepaid forward contracts. If the IRS published future guidance requiring current accrual of income with respect to contingent payments on prepaid forward contracts, it is possible that holders could be required to accrue income over the term of the Forward Contract Notes.

Some or all of the net long-term capital gain arising from certain "constructive ownership" transactions may be characterized as ordinary income, in which case an interest charge would be imposed on any such ordinary income. These rules have no immediate application to forward contracts in respect of the stock of most corporations. The rules, however, grant discretionary authority to the U.S. Treasury Department to expand the scope of "constructive ownership" transactions to include forward contracts in respect of the stock of all corporations. The rules separately also direct the Treasury to promulgate regulations excluding a forward contract that does not convey "substantially all" of the economic return on any underlying asset from the scope of "constructive ownership" transactions. It is not possible to predict whether such regulations will be promulgated by the U.S. Treasury Department, or the form or effective date that any regulations that may be promulgated might take.

On December 7, 2007, the IRS and U.S. Treasury Department issued a notice requesting public comments on a comprehensive set of tax policy issues raised by prepaid forward contracts, including several different approaches under which U.S. Holders of prepaid forwards could be required to recognize ordinary income on a current basis, or could be treated as owning directly the assets subject to the prepaid forward. Although it is currently uncertain what future guidance will result from the notice, the notice leaves open the possibility that such guidance could have retroactive application. In addition, prospective investors are encouraged to consult their own tax advisors about the potential impact of several proposed legislative changes in the taxation of derivatives contracts, and the likelihood that any of the foregoing may take effect.

Information Reporting and Backup Withholding

Information returns may be required to be filed with the IRS relating to payments made to particular U.S. Holders of Notes. In addition, U.S. Holders may be subject to a backup withholding tax on such payments if they do not provide their taxpayer identification numbers to the Fiscal and Paying Agent in the manner required, fail to certify that they are not subject to backup withholding tax, or otherwise fail to comply with applicable backup withholding tax rules. U.S. Holders may also be subject to information reporting and backup withholding tax with respect to the proceeds from a sale, exchange, retirement or other taxable disposition of the Index Linked Notes. Any amounts withheld under the backup withholding rules will be allowed as a credit against the U.S. Holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

The Foreign Account Tax Compliance Act ("FATCA") will impose a 30% U.S. withholding tax on certain U.S. source payments, including interest (and OID) paid after December 31, 2013, and on the gross proceeds from a disposition of property of a type which can produce U.S. source interest paid after December 31, 2016 ("withholdable payments"), if paid to a foreign financial institution, unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, or satisfies the terms of an applicable intergovernmental agreement. Generally, withholdable payments made on Notes that are issued prior to January 1, 2014 will not be subject to the 30% withholding tax, unless the Notes are materially modified on or after January 1, 2014.

By purchasing the Notes, U.S. holders agree to provide an IRS form W-9, and whatever other information may be necessary for us to comply with these reporting obligations. If an amount of, or in respect of, U.S. withholding tax were to be deducted or withheld from interest or other payments on the Notes as a result of an investor's failure to comply with these rules, neither the Issuer nor the Guarantor nor any paying agent nor any other person would be required to pay additional amounts with respect to any Notes as a result of the deduction or withholding of such tax. As a result, if payments in respect of the Notes are subject to FATCA withholding, investors may receive less interest or principal than expected. Holders of Notes should consult their own tax advisers on how these rules may apply to payments they receive under the Notes.

