

BASE PROSPECTUS

dated 7 June 2019

of

BINCKBANK N.V.

(a public limited liability company incorporated in the Netherlands
with its statutory seat in Amsterdam, the Netherlands)



for the issue of

TURBO'S AND TURBO'S XL

This document constitutes a base prospectus ("**Base Prospectus**") according to Article 5(4) of Directive 2003/71/EC of the European Parliament and of the Council, as amended (including by Directive 2010/73/EC) (the "**Prospectus Directive**") and has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) ("**DFSA**") and the rules promulgated thereunder. This Base Prospectus has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) ("**AFM**") on 7 June 2019.

Under this Base Prospectus, BinckBank N.V. (the "**Issuer**" or "**BinckBank**") may, from time to time, issue Turbo's and Turbo's XL (the "**Securities**", and each a "**Security**") governed by Dutch law. This Base Prospectus may only be distributed in the European Economic Area, and the offering, sale and delivery of the Securities is restricted to customers of BinckBank (i) who hold a brokerage account with BinckBank, and (ii) who are residents of a relevant Member State.

The Securities issued under this Base Prospectus may be based on the performance of a share (including a certificate representing shares), an index, a currency exchange rate, a precious metal, a commodity, an interest rate, a non-equity security, a fund unit, a futures contract, or, as the case may be, and as specified in the relevant final terms (the "**Final Terms**") prepared by or on behalf of the Issuer, a reference rate (including, but not limited to, interest rate swap (IRS) rates, currency swap rates or, as the case may be, credit default swap levels), as well as a basket comprising the aforementioned assets.

In this document, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended. References to a "**Relevant Member State**" are references to a Member State of which the competent authority has been provided with a certificate of approval attesting that the Base Prospectus and any supplements thereto have been drawn up in accordance with national law transposing the Prospectus Directive, which, at the date of this Base Prospectus, will include, in any case, the Netherlands and Belgium.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR THE ADEQUACY OF THE BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED OR BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. THE SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). SEE "*SUBSCRIPTION AND SALE*".

Potential investors in the Securities are explicitly reminded that an investment in the Securities entails financial risks. Holders of the Securities run the risk of losing all or part of the amount invested by them in the Securities. All potential investors in the Securities are, therefore, advised to study the full contents of this Base Prospectus, in particular the risk factors.

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1. SUMMARY OF THE BASE PROSPECTUS

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7).

This summary (the "**Summary**") contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable". Certain provisions of this Summary are in brackets. Such information will be completed or, where not relevant, deleted, in relation to a particular issue of Securities, and the completed Summary in relation to such issue of Securities shall be appended to the relevant Final Terms.

Section A – Introduction and warnings		
A.1	Warning.	<p>This Summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole by the investor.</p> <p>Potential investors should be aware that where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
A.2	Consent to use the Base Prospectus.	Not applicable; there will be no subsequent resale or final placement of the Securities by financial intermediaries.
Section B – Issuer		
B.1	Legal and commercial name of the Issuer.	The legal name of the Issuer is BinckBank N.V. (the " Issuer " or " BinckBank "). The Issuer operates under the commercial names Binck, BinckBank, BinckBank N.V., Binck Fundcoach, Alex, Alex Vermogensbank, Alex Bottom-Line and VEB Bottom-Line.
B.2	Domicile, legal form, legislation and country of incorporation.	BinckBank is a public limited liability company (<i>naamloze vennootschap</i>) incorporated under Dutch law by a notarial deed dated 23 February 1981 and operates under Dutch law. BinckBank has its statutory seat in Amsterdam, the Netherlands.
B.4b	Trends.	<p>Scope of supervision</p> <p>With the introduction of the obligations under CRD IV, the prudential consolidation base has been reviewed in consultation with De Nederlandsche Bank. The prudential consolidation base includes only all the institutions (credit institutions and investment firms) and financial institutions that belong to the group. In the reassessment of the prudential consolidation base, BinckBank has concluded that its subsidiary Able Holding B.V. does not belong to the prudential consolidation base, and therefore should be included as a non-banking subsidiary for the purpose of the solvency regulations. This has led to an adjustment to the capital requirement, especially with respect to operational risk. The full application of the CRD IV requirements has led to a limited adjustment to the capital requirement for a number of items.</p>

		Capital ratio The capital ratio at the end of the fourth quarter of 2018 was 31.8% (FY17: 30.8%). At the end of Q1 2019, the capital ratio amounted to 34.3 %.																																																																																															
B.5	Organisational structure.	BinckBank has a number of Dutch subsidiaries and associates. BinckBank has branch offices in the Netherlands, Belgium, France, Italy and Spain. BinckBank is regulated by both the Dutch Central Bank (<i>De Nederlandsche Bank N.V.</i>) (" DNB ") and the AFM. The foreign branch offices are subject to supervision by the local regulators.																																																																																															
B.9	Profit forecast or estimate.	Not applicable; no profit forecast or estimate is made.																																																																																															
B.10	Qualifications in the audit report.	Not applicable; the independent auditor's reports on the audited consolidated financial statements for the financial years ended 31 December 2018 and 31 December 2017 are unqualified.																																																																																															
B.12	Selected historical key financial information.	<p>BinckBank derived the following selected consolidated financial data from its (i) first quarterly report 2019 containing the unaudited interim consolidated financial statements for the three-month period ended 31 March 2019 and the unaudited comparative figures for the three-month period ended 31 March 2018, (ii) annual report 2018 containing the audited consolidated financial statements for the financial year ended 31 December 2018 and the audited comparative figures for the financial year ended 31 December 2017.</p> <p>BinckBank's audited consolidated financial statements were prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS) and comply with Title 9 of Book 2 Dutch Civil Code. The unaudited interim consolidated financial statements have been prepared based on the same accounting principles as the consolidated financial statements. The condensed consolidated figures for the period ending on 31 March 2019 do not contain all the information required for full financial statements and should therefore be read in combination with the consolidated financial statements for 2018. The data is stated in Euro (EUR).</p> <table><tr><th colspan="5">Income Statement</th></tr><tr><th>X EUR 1,000</th><th>Q1</th><th>Q1</th><th>FY 2018</th><th>FY 2017</th></tr><tr><th>Audited, except where indicated</th><th>2019*</th><th>2018*</th><th></th><th></th></tr><tr><td>Net interest income</td><td>8,047</td><td>7,930</td><td>32,070</td><td>30,039</td></tr><tr><td>Net fee and commission income</td><td>23,451</td><td>29,290</td><td>102,975</td><td>105,858</td></tr><tr><td>Other income</td><td>3</td><td>444</td><td>943</td><td>7,014</td></tr><tr><td>Result from financial instruments</td><td>1,196</td><td>2,061</td><td>7,013</td><td>6,150</td></tr><tr><td>Impairment of financial assets</td><td>71</td><td>(130)</td><td>(207)</td><td>(92)</td></tr><tr><td>Total income from operating activities</td><td>32,768</td><td>39,595</td><td>142,794</td><td>148,969</td></tr><tr><td>Employee expenses</td><td>12,103</td><td>12,666</td><td>48,905</td><td>53,048</td></tr><tr><td>Depreciation and amortisation</td><td>1,365</td><td>1,308</td><td>5,118</td><td>26,792</td></tr><tr><td>Other operating expenses</td><td>14,616</td><td>14,242</td><td>61,345</td><td>61,746</td></tr><tr><td>Total operating expenses</td><td>28,084</td><td>28,216</td><td>115,368</td><td>141,586</td></tr><tr><td>Result from operating activities</td><td>4,684</td><td>11,379</td><td>27,426</td><td>7,383</td></tr><tr><td>Tax</td><td>(1,185)</td><td>(2,863)</td><td>(400)</td><td>274</td></tr><tr><td>Share in profit / (loss) of associates and joint ventures</td><td>-</td><td>-</td><td>8,436</td><td>864</td></tr><tr><td>Net result</td><td>3,499</td><td>8,516</td><td>35,462</td><td>8,521</td></tr><tr><td>Result attributable to non-controlling interests</td><td>-</td><td>116</td><td>282</td><td>(450)</td></tr><tr><td>Net result attributable to shareholders BinckBank</td><td>3,499</td><td>8,400</td><td>35,180</td><td>8,971</td></tr></table> <p>* unaudited</p>	Income Statement					X EUR 1,000	Q1	Q1	FY 2018	FY 2017	Audited, except where indicated	2019*	2018*			Net interest income	8,047	7,930	32,070	30,039	Net fee and commission income	23,451	29,290	102,975	105,858	Other income	3	444	943	7,014	Result from financial instruments	1,196	2,061	7,013	6,150	Impairment of financial assets	71	(130)	(207)	(92)	Total income from operating activities	32,768	39,595	142,794	148,969	Employee expenses	12,103	12,666	48,905	53,048	Depreciation and amortisation	1,365	1,308	5,118	26,792	Other operating expenses	14,616	14,242	61,345	61,746	Total operating expenses	28,084	28,216	115,368	141,586	Result from operating activities	4,684	11,379	27,426	7,383	Tax	(1,185)	(2,863)	(400)	274	Share in profit / (loss) of associates and joint ventures	-	-	8,436	864	Net result	3,499	8,516	35,462	8,521	Result attributable to non-controlling interests	-	116	282	(450)	Net result attributable to shareholders BinckBank	3,499	8,400	35,180	8,971
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		<div>Balance sheet & capital adequacy</div> <div>X EUR 1,000</div> <table><tr><th>Audited, except where indicated</th><th>Q1 2019*</th><th>Q1 2018*</th><th>FY 2018</th><th>FY 2017</th></tr><tr><td>Balance sheet total</td><td>4,323,191</td><td>3,821,445</td><td>4,070,993</td><td>3,924,061</td></tr><tr><td>Equity</td><td>406,883</td><td>401,552</td><td>403,384</td><td>394,889</td></tr><tr><td>Total available capital (Tier 1) **</td><td>249,815</td><td>251,043</td><td>248,998</td><td>249,522</td></tr><tr><td>Capital ratio**</td><td>34.3%</td><td>32.7%</td><td>31.8%</td><td>30.8%</td></tr></table> <div>* unaudited</div> <div>** based on Basel III</div> <div>Cost/income ratio</div> <table><tr><th>Unaudited</th><th>Q1 2019</th><th>Q1 2018</th><th>FY 2018</th><th>FY 2017</th></tr><tr><td>Cost/income ratio excluding IFRS amortisation</td><td>86%</td><td>71%*</td><td>95%</td><td>81%</td></tr></table> <div>* From Q1 2018, BinckBank no longer reports a corrected result, but only the IFRS result. In previous periods, the total operating expenses and taxes were corrected for the tax saving on the difference between tax and commercial amortization of the intangible assets and the goodwill acquired on the acquisition of Alex Asset Management. At the end of 2017, these intangible assets, excluding goodwill paid, have been fully amortized and the adjusted result is fully in line with the IFRS result.</div>	Audited, except where indicated	Q1 2019*	Q1 2018*	FY 2018	FY 2017	Balance sheet total	4,323,191	3,821,445	4,070,993	3,924,061	Equity	406,883	401,552	403,384	394,889	Total available capital (Tier 1) **	249,815	251,043	248,998	249,522	Capital ratio**	34.3%	32.7%	31.8%	30.8%	Unaudited	Q1 2019	Q1 2018	FY 2018	FY 2017	Cost/income ratio excluding IFRS amortisation	86%	71%*	95%	81%
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	Material adverse change statement.	There has been no material adverse change in the prospects of BinckBank since 31 December 2018, being the end of the last financial period for which audited consolidated financial statements have been published.																																			
	Significant changes statement.	There has been no significant change in the financial or trading position of the BinckBank group since 31 March 2019, being the end of the last financial period for which interim financial statements have been published.																																			
B.13	Recent events.	<div>Scope of supervision</div> <div>With the introduction of the obligations under CRD IV, the prudential consolidation base has been reviewed in consultation with De Nederlandsche Bank. The prudential consolidation base includes only all the institutions (credit institutions and investment firms) and financial institutions that belong to the group. In the reassessment of the prudential consolidation base, BinckBank has concluded that its former subsidiary Able Holding B.V. does not belong to the prudential consolidation base, and therefore should be included as a non-banking subsidiary for the purpose of the solvency regulations. This has led to an adjustment to the capital requirement, especially with respect to operational risk. The full application of the CRD IV requirements has led to a limited adjustment to the capital requirement for a number of items.</div> <div>Capital ratio</div> <div>The capital ratio at the end of the fourth quarter of 2018 was 31.8% (FY17: 30.8%). At the end of Q1 2019, the capital ratio amounted to 34.3 %.</div> <div>Think ETF Asset Management B.V.</div> <div>On 19 January 2018 BinckBank announced that it wished to sell its 60% holding in Think ETF Asset Management B.V. to Van Eck Associates Corporation. The sale was finalised at the end of the second quarter of 2018. After the sale of Think ETF Asset Management B.V. BinckBank will be able to focus fully on the relaunch of its retail activities.</div> <div>Saxo Bank's offer</div>																																			

	<p>On 17 December 2018, BinckBank and Saxo Bank announced that they had reached conditional agreement on a recommended all-cash public offer by Saxo Bank for BinckBank's entire issued and outstanding share capital (the Shares) of € 6.35 per share in cash (cum dividend) (the Offer Price). The Offer Price values 100% of BinckBank's Shares at € 424 million. On 16 May 2019, Saxo Bank announced that it extends the offer period because the process to obtain the regulatory clearances is not yet completed. The extended offer period will end on 31 July 2019. It is expected that the offer will be completed in the first half of Q3 of 2019.</p> <p>Board</p> <p>On 23 April 2019 Mr. S.J. Clausen was reappointed by the supervisory board as boardmember of BinckBank N.V. for a period of four years.</p> <p>Supervisory board</p> <p>During the annual meeting of 23 April 2019 Mr. A. Soederhuizen was reappointed as member of the supervisory board of BinckBank N.V. for a period of four years. Mr. S. Kyhl, Mr. S. Blaafalk and Mr. F.S. Rejsbøl are appointed as member of the supervisory board with effect from the date of settlement of the offer by Saxo Bank; subject to the condition precedent that a positive decision on their appointment is received from the regulator(s). As of 1 May 2019 Mrs. C.J. van der Weerd-Norder has resigned as a member of the supervisory board.</p> <p>After settlement of the offer by Saxo Bank, the supervisory board of BinckBank N.V. will consist of messrs. J.W.T van der Steen (chairman) and J.G. Princen, and, subject to a positive decision from the regulator(s), messrs. S. Blaafalk, S. Kyhl and F.S. Rejsbøl.</p> <p>Dutch residential mortgage loans</p> <p>BinckBank changed the balance sheet composition in 2016 and 2017, by investing in a residential mortgage portfolio which stood at € 805 million as at 31 December 2018. The mortgage portfolio has on average a longer interest rate maturity than the investments in the bond portfolio. As a result, the interest rate typical duration of the BinckBank balance sheet has changed and the interest rate risk has increased. On balance, for a portion of the mortgage portfolio the relatively long interest rate is swapped for a shorter variable interest rate. By growing the residential mortgage portfolio BinckBank has largely succeeded in compensating the revenues on the assets side of the balance sheet. The investments in mortgages are part of the strategic objective of generating a more balanced income flow.</p> <p>BinckBank classifies Dutch residential mortgage loans as an attractive investment due to its attribution to a more stable interest margin and limited default risk as a result of the conservative underwriting criteria used (determined in accordance with the criteria set out in the Dutch behavioural code for mortgage financing (gedragscode hypotheaire financieringen)) and the historical default rates of Dutch residential mortgages which have remained relatively low.</p> <p>Alex Asset Management</p> <p>In 2017, Alex Asset Management once again saw an outflow of customer funds. The managed assets for Alex Asset Management fell to € 1.0 billion in 2017.</p> <p>Although the performance of Alex Asset Management has improved considerably in recent years, BinckBank still has suffered some reputational damage. The ongoing drain of assets under management from Alex Asset Management remains BinckBank's biggest challenge for meeting its strategic growth target for assets under management. Over 2017, the inflow of assets from the newly launched products (Binck Comfort, Binck Forward, Binck Pension) was not sufficient to fully offset the outflow of assets from Alex Asset Management, so on balance there was a negative</p>
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		<p>movement in the total assets under management, one of BinckBank's most important strategic pillars. Putting a stop to the drain of assets from Alex Asset Management will have BinckBank's full attention in 2018.</p> <p>Disappointing results over 2014 lead to a number of (former) clients of Alex Asset Management filing complaints with the Financial Services Complaints Tribunal (Kifid). Some of these clients were represented by Vermogensmonitor, while also the Dutch Investors Association VEB reached out to BinckBank with critical questions. The complaints pertained to inter alia the information included in promotional materials distributed between 8 September 2012 through 26 August 2014 and more specifically the information provided in the product documentation on the risks which materialized due to the unusual market conditions of 2014.</p> <p>In January 2017, BinckBank reached a settlement with Vermogensmonitor and VEB for the benefit of certain (former) Alex Asset Management clients who had filed complaints and who met certain criteria. The settlement was communicated to the market on 20 January 2017. Under the settlement, BinckBank agreed to pay a lump-sum contribution to allow Vermogensmonitor and VEB to offer a compensation to (former) individual Alex Asset Management clients who had filed a complaint and met the agreed criteria. No acknowledgement of liability was agreed or implied. The complaints of the customers of Vermogensmonitor and the members of the VEB have been completely resolved.</p>																												
B.14	Dependence upon other entities.	Not applicable; BinckBank is not dependent upon other entities within the group.																												
B.15	Issuer's principal activities.	<p>BinckBank N.V. (BinckBank) is an online bank for investors and savers. Our services are deployed from our head office in the Netherlands and our local branches in Belgium, France, and Italy, and representation in Spain. BinckBank offers services in investment, asset management and savings, and targets its services to retail customers, businesses/legal entities, and independent asset managers. An important feature of BinckBank's online services is a stable platform that gives users access to important financial markets, professional trading facilities, and analysis tools.</p> <p>BinckBank offers its customers a stable platform giving them access to all important financial markets in the world. This includes order execution at competitive rates, combined with facilities such as excellent customer service, a professional investment website with streaming quotes, news, depth of order book, research and tools for technical and other analysis. BinckBank provides its services under the Binck and Alex brands. The Binck brand name is used in the Netherlands, Belgium, France, Italy and Spain, and the Alex brand name is used in the Netherlands and Spain.</p>																												
B.16	Controlling persons.	<p>The following table sets out the name of each person who, as at 7 June 2019 and as far as BinckBank is aware on the basis of the public AFM substantial holdings register, has a direct or indirect interest in BinckBank's share capital or voting rights of at least 3%.</p> <table><tr><th>Name</th><th>% of share capital</th><th>% of voting rights</th><th>Type of interest</th></tr><tr><td>Boron Investments N.V.</td><td>5.38</td><td>5.38</td><td>Direct</td></tr><tr><td>Navitas B.V.</td><td>5.17</td><td>5.17</td><td>Direct</td></tr><tr><td>Stichting FB Oranjewoud</td><td>4.99</td><td>4.99</td><td>Indirect</td></tr><tr><td>NN Group N.V.</td><td>4.99</td><td>4.99</td><td>Indirect</td></tr><tr><td>J. Kluit</td><td>4.99</td><td>4.99</td><td>Indirect</td></tr><tr><td>Aquiline Capital Partners GP LLC</td><td>4.73</td><td>4.73</td><td>Indirect</td></tr></table>	Name	% of share capital	% of voting rights	Type of interest	Boron Investments N.V.	5.38	5.38	Direct	Navitas B.V.	5.17	5.17	Direct	Stichting FB Oranjewoud	4.99	4.99	Indirect	NN Group N.V.	4.99	4.99	Indirect	J. Kluit	4.99	4.99	Indirect	Aquiline Capital Partners GP LLC	4.73	4.73	Indirect
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Aquiline Capital Partners GP LLC	4.73	4.73	Indirect																											

		Magnetar Financial LLC	3.25	3.25	Direct				
		Dimensional Fund Advisors LP	3.17	3.00	Indirect				
Element	Section C – Securities ¹								
C.1	Type and class of the Securities, security identification number.	<p>The Securities qualify as securities (<i>effecten</i>) within the meaning of Section 1:1 of the DFSA.</p> <p>The Securities will be treated as dematerialised book-entry form securities pursuant to the Swiss Federal Intermediated Securities Act ("FISA").</p> <p>Security identification number(s) of the Securities Security Code: BCK[•]*</p> <p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></p> <table><tr><td>Security Code</td></tr><tr><td>BCK [•]</td></tr></table> <p><i>]</i></p>				Security Code	BCK [•]		
Security Code									
BCK [•]									
C.2	Currency of the Securities.	<p>[For each Series of Securities [•]* (the "Redemption Currency")</p> <p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities, if required:</i></p> <table><tr><td>Security Code</td><td>Redemption Currency</td></tr><tr><td>BCK [•]</td><td>[•]</td></tr></table> <p><i>]</i></p>				Security Code	Redemption Currency	BCK [•]	[•]
Security Code	Redemption Currency								
BCK [•]	[•]								
C.5	Restrictions on the free transferability	Securityholders will only be able to buy or sell Securities by placing orders with BinckBank, and transactions in the Securities will only take place between the Issuer and the Securityholder.							
C.8	Rights attached to the Securities, including ranking and limitations to those rights.	<p>Governing law of the Securities [Each Series of the] [The] [Securities] will be governed by Dutch law.</p> <p>Rights attached to the Securities The Securities provide holders thereof, upon exercise, with a claim for payment of the Redemption Amount in the Redemption Currency.</p> <p>Limitation of the rights attached to the Securities Under the conditions set out in the Conditions, the Issuer is entitled to terminate the Securities and to make certain adjustments to the Conditions.</p> <p>Status of the Securities [Each Series of the] [The] Securities will constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking <i>pari passu</i> among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.</p>							
C.11	Admission to trading on a regulated market or other equivalent markets.	<p>The Issuer does not intend to apply for admission of the Securities to trading on a regulated market or other equivalent market.</p> <p>The Securities will become tradable on the electronic trading systems CATS-OS and/or CATS-LS (collectively "CATS"), operated by Boerse Stuttgart cats GmbH (or its successor in respect of CATS). CATS is a bilateral trading system and only facilitates bilateral transactions.</p>							

¹ The use of the symbol "*" in the following Section C - Securities indicates that the relevant information for each series of Securities may, in respect of Multi-Series Securities and where appropriate, be presented in a table.

		<p>Securityholders will be able to buy or sell Securities by placing orders with BinckBank. Such orders will be submitted by BinckBank to UBS AG as market maker (the "Market Maker"). The Market Maker intends, under normal market conditions, to provide bid and offer prices for the Securities on a regular basis on behalf of the Issuer. Upon acceptance of a bid or ask price, as the case may be, by the Securityholder via BinckBank, the Market Maker will, with the authorization of the Issuer, match the relevant buy or sell order of the Securityholder and confirm via CATS the execution of a trade in the Security between the Issuer and the Securityholder.</p>
C.15	Influence of the underlying on the value of the Securities.	<p>The value of the Securities during their term depends on the performance of [the Underlying] [the Basket Components]. In case the Price of [the Underlying] [the Basket Components] [increases] [decreases], also the value of the Securities (disregarding any special features of the Securities) is likely to [increase] [decrease].</p> <p>In particular, the Redemption Amount, if any, to be received by the Securityholder upon exercise of the Securities depends on the performance of [the Underlying] [the Basket Components]. In detail:</p> <p>[In case of Turbo's Long insert:</p> <p>Turbo's Long allow investors to participate disproportionately (with leverage) in the positive development of the Underlying.</p> <p>Conversely, investors in Turbo's Long also participate disproportionately (with leverage) in the negative development of the Underlying. Investors bear the risk of the Turbo's Long expiring [almost] worthless if the price of the Underlying does at any time (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes reach or fall short of the Current Stop Loss Level, so-called Stop Loss Event, all as specified in the applicable Product Terms. In this case, the Option Right expires and the Securityholder will receive payment of a redemption amount in the Redemption Currency which is determined by the Calculation Agent at its reasonable discretion, so-called Stop Loss Redemption Amount. Only if specified in the applicable Product Terms, the Securityholder will in such case receive a minimum re-payment of 0.001 in the Redemption Currency or such other amount as specified in the applicable Product Terms. Otherwise, the Stop Loss Redemption Amount can be € 0.00, but not less than € 0.00.</p> <p>Upon exercise of the Turbo's Long by either the Securityholder or the Issuer, (and unless a Stop Loss Event has occurred), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's Long, exceeds the Current Financing Level, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.</p> <p>The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's Long remain unchanged, the value of the Turbo's Long.</p> <p>During their term, the Turbo's Long do not generate any regular income (e.g. dividends or interest).]</p> <p>[In case of Turbo's Short insert:</p> <p>Turbo's Short allow investors to positively participate disproportionately (with leverage) in the negative development of the Underlying.</p>

	<p>Conversely, investors in Turbo's Short also participate disproportionately (with leverage) in the positive development of the Underlying. Investors bear the risk of the Turbo's Short expiring [almost] worthless if the price of the Underlying does at any time (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes reach or exceed the Current Stop Loss Level, so-called Stop Loss Event, all as specified in the applicable Product Terms. In this case, the Option Right expires and the Securityholder will receive payment of a redemption amount in the Redemption Currency which is determined by the Calculation Agent at its reasonable discretion, so-called Stop Loss Redemption Amount. Only if specified in the applicable Product Terms, the Securityholder will in such case receive a minimum re-payment of 0.001 in the Redemption Currency or such other amount as specified in the applicable Product Terms. Otherwise, the Stop Loss Redemption Amount can be € 0.00, but not less than € 0.00.</p> <p>Upon exercise of the Turbo's Short by either the Securityholder or the Issuer, (and unless a Stop Loss Event has occurred), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's Short, falls short of the Current Financing Level, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.</p> <p>The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's Short remain unchanged, the value of the Turbo's Short.</p> <p>During their term, the Turbo's Short do not generate any regular income (e.g. dividends or interest).]</p> <p><i>[In case of Turbo's XL Long insert:</i></p> <p>Turbo's XL Long allow investors to participate disproportionately (with leverage) in the positive development of the Underlying.</p> <p>Conversely, investors in Turbo's XL Long also participate disproportionately (with leverage) in the negative development of the Underlying. Investors bear the risk of the Turbo's XL Long expiring worthless if the price of the Underlying does at any time (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes reach or fall short of the Current Knock Out Barrier, so-called Knock Out Event, all as specified in the applicable Product Terms. In this case, the Option Right lapses and each Turbo XL Long expires immediately worthless.</p> <p>Upon exercise of the Turbo's XL Long by either the Securityholder or the Issuer (and unless a Knock Out Event has occurred), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's XL Long, exceeds the Current Strike, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.</p> <p>The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Long remain unchanged, the value of the Turbo's XL Long.</p>
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		<p>During their term, the Turbo's XL Long do not generate any regular income (e.g. dividends or interest).]</p> <div><div>[In case of Turbo's XL Short insert:</div><p>Turbo's XL Short allow investors to positively participate disproportionately (with leverage) in the negative development of the Underlying.</p><p>Conversely, investors in Turbo's XL Short also participate disproportionately (with leverage) in the positive development of the Underlying. Investors bear the risk of the Turbo's XL Short expiring worthless if the price of the Underlying does at any time (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes reach or exceed the Current Knock Out Barrier, so-called Knock Out Event, all as specified in the applicable Product Terms. In this case, the Option Right lapses and each Turbo XL Short expires immediately worthless.</p><p>Upon exercise of the Turbo's XL Short by either the Securityholder or the Issuer (and unless a Knock Out Event has occurred), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's XL Short, falls short of the Current Strike, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.</p><p>The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Short remain unchanged, the value of the Turbo's XL Short.</p><p>During their term, the Turbo's XL Short do not generate any regular income (e.g. dividends or interest).]</p><p><i>[to be inserted for each Security, as required:]</i></p><table><tr><td>[Knock Out Barrier]</td><td>[•]*</td></tr><tr><td>[Leverage Factor]</td><td>[•]*</td></tr><tr><td>[Multiplier]</td><td>[•]*</td></tr><tr><td>[Reference Price]</td><td>[•]*</td></tr><tr><td>[Settlement Price]</td><td>[•]*</td></tr><tr><td>[Term of the Securities]</td><td>[•]*</td></tr><tr><td>[Underlying]</td><td>[•]*</td></tr><tr><td>[Valuation Date]</td><td>[•]*</td></tr><tr><td><i>[insert further definitions, as required]</i></td><td>[•]</td></tr></table><p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></p><table><tr><td>Security Code</td><td>[•]</td><td>[•]</td><td>[•]</td></tr><tr><td>BCK [•]</td><td>[•]</td><td>[•]</td><td>[•]</td></tr></table></div>	[Knock Out Barrier]	[•]*	[Leverage Factor]	[•]*	[Multiplier]	[•]*	[Reference Price]	[•]*	[Settlement Price]	[•]*	[Term of the Securities]	[•]*	[Underlying]	[•]*	[Valuation Date]	[•]*	<i>[insert further definitions, as required]</i>	[•]	Security Code	[•]	[•]	[•]	BCK [•]	[•]	[•]	[•]
[Knock Out Barrier]	[•]*																											
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<i>[insert further definitions, as required]</i>	[•]																											
Security Code	[•]	[•]	[•]																									
BCK [•]	[•]	[•]	[•]																									
C.16	Expiration or redemption date, the exercise date	<p>[Redemption Date: [•]*]</p> <p>[Expiration Date: [•]*]</p>																										

	or final valuation date.	<div>[[Exercise Date[s]][Exercise Period]: [●]*]</div> <div>[[Final] Valuation Date: [●]*]</div> <div><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></div> <table><tr><td>Security Code</td><td>Redemption Date</td><td>[Expiration Date]</td><td>[Exercise Date[s]] [Exercise Period]</td><td>[[Final] Valuation Date]</td></tr><tr><td>BCK [●]</td><td>[●]</td><td>[●]</td><td>[●]</td><td>[●]</td></tr></table> <div>]</div>	Security Code	Redemption Date	[Expiration Date]	[Exercise Date[s]] [Exercise Period]	[[Final] Valuation Date]	BCK [●]	[●]	[●]	[●]	[●]
Security Code	Redemption Date	[Expiration Date]	[Exercise Date[s]] [Exercise Period]	[[Final] Valuation Date]								
BCK [●]	[●]	[●]	[●]	[●]								
C.17	Settlement procedure of the Securities.	<div>BinckBank holds with UBS Switzerland AG as settlement and safekeeping bank (the "Settlement Bank"):</div> <div>(i) a securities account or accounts (the "Client Securities Account") in the name of BinckBank, which Client Securities Account will hold the Securities in book-entry form for the account of the Securityholders, and</div> <div>(ii) a cash account or accounts (the "Client Cash Account") in the name of BinckBank for settlement of cash flows relating to the Securities in the Client Securities Account.</div> <div>The Settlement Bank will settle all trades in the Securities by way of corresponding book-entries in the Client Securities Account, and the Settlement Bank will make corresponding and simultaneous cash debits or credits in the Client Cash Account.</div> <div>Upon a settlement of a trade in the Securities by way of a book-entry in the Client Securities Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous book-entry in the securities account of the relevant Securityholder with BinckBank.</div> <div>Upon a cash debit or credit in the Client Cash Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous cash debit or credit in the cash account of the relevant Securityholder with BinckBank.</div>										
C.18	How the return on the Securities takes place.	<div>Upon exercise of the Securities, Securityholders will receive on the relevant Redemption Date payment of the Redemption Amount. A Securityholder will not be entitled to delivery of any physical Underlying.</div>										
C.19	Exercise price or final reference price of the Underlying.	<div>[Settlement Price: [●]*]</div> <div>[Reference Price: [●]*]</div> <div><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></div> <table><tr><td>Security Code</td><td>[Settlement Price] [Reference Price]</td></tr><tr><td>BCK [●]</td><td>[●]</td></tr></table>	Security Code	[Settlement Price] [Reference Price]	BCK [●]	[●]						
Security Code	[Settlement Price] [Reference Price]											
BCK [●]	[●]											
C.20	Type of the Underlying and where the information on the Underlying can be found.	<div>Type of Underlying:</div> <div><i>[insert description of [the share (including a certificate representing shares)] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the fund unit] [the futures contract (if applicable, including determination of the Relevant Expiration Months)] [the reference rate] [the basket comprising the aforementioned assets]</i></div>										

		<p>Information about the past and the further performance of [the Underlying] [the Underlyings] and [its] [their] volatility can be obtained on the internet page [•].</p> <p><i>[In relation to multi-series Securities insert following overview table of relevant information and complete for each Series of Securities:</i></p> <table><tr><td>Security Code</td><td>[•]</td><td>[•]</td><td>[•]</td></tr><tr><td>BCK [•]</td><td>[•]</td><td>[•]</td><td>[•]</td></tr></table>	Security Code	[•]	[•]	[•]	BCK [•]	[•]	[•]	[•]
Security Code	[•]	[•]	[•]							
BCK [•]	[•]	[•]	[•]							
Element	Section D – Risks									
D.2	Key information on the key risks that are specific and individual to the Issuer.	<p>The purchase of Securities is associated with certain risks. The Issuer expressly points out that the description of the risks associated with an investment in the Securities describes only the key risks which were known to the Issuer as at the date of the Base Prospectus.</p> <p>The Issuer identifies the following key risks specific to the Issuer:</p> <p>General insolvency risk - In the event of insolvency of the Issuer, investors may experience a total loss of their investment in the Securities.</p> <p>Business risks - Business factors such as loss of customers, falling trading volumes, lower order values and price pressure due to competition, unfortunate business decisions, poor execution of business decisions or inadequate response to changes in the business climate could result in a fall in income for BinckBank.</p> <p>Reputational risks - A decline of confidence in BinckBank as a result of damage to its reputation could result in flattening of customer growth, falling trading volumes or customers closing their accounts with BinckBank, which may have a material adverse effect on BinckBank's business, operating result and/or financial position.</p> <p>Legal and compliance risks - Increasing and extensive changes to legislation and regulations for financial institutions constitute a challenge for banks. The legal and compliance risk is the risk that BinckBank will fail to comply with applicable legislation and regulations, which may lead to damage being suffered. Furthermore, as BinckBank is subject to financial regulatory supervision in several countries, BinckBank faces risks relating to non-compliance with regulatory requirements. Such non-compliance could result in measures taken by supervisory authorities such as instructions, fines or other enforcing actions. BinckBank may also be subject to civil claims when it does not act with enough duty of care.</p> <p>Operational risks - Due to the nature of its business activities, BinckBank has a high inherent operational risk. Processes, systems, models and people may fail to perform, there may be instances of fraud, and day-to-day processes may be disrupted. Furthermore, BinckBank is inherently sensitive to ICT disruptions. Finally, errors in the implementation of system adjustments and improvements can arise and directly affect the operational risk profile.</p> <p>ICT risks - Deficiencies in ICT can constitute a significant threat to critical business processes and customer services. ICT risks can therefore indirectly pose a threat to the results.</p> <p>ICT Security risks - As an internet bank, BinckBank is by definition exposed to a significant inherent risk of external fraud. Wilful disruption and system breakdowns may jeopardise the provision of investor services, which could lead to claims for damages being brought against BinckBank. Remedying problems caused by third parties could require substantial financial and human resources from BinckBank and therefore might have a material adverse effect on the operating result and/or financial position of</p>								

		<p>BinckBank.</p> <p>Credit risks - BinckBank is exposed to credit risk in relation to its cash position and investments, in relation to outstanding collateralised loans, margin obligations, deferred settlement service (SRD) obligations and in relation to counterparties. If a material default occurs in any of these relationships, this might have a material adverse effect on the operating result and/or financial position of BinckBank.</p> <p>Hedging Counterparty risk - A default by UBS AG as the Hedging Counterparty on its contractual obligations towards BinckBank arising from the UBS securities up to an amount of the to be agreed upon threshold, could have an adverse effect on BinckBank and may negatively impact its operating result and/or financial position.</p> <p>Liquidity risk - Liquidity risk is the risk that BinckBank will not be able to meet its payment obligations. There is a risk of liquidity shortage, for example, in the event of incorrect settlement of transactions in financial instruments for customers, a high volume of lending to customers or a sudden decrease in funds entrusted. There could be a material adverse effect on the operating result and/or financial position of BinckBank if such risks materialize.</p> <p>Interest rate risk - Interest-rate risk is the risk relating to interest rate changes and their effect on BinckBank's capital and/or result. BinckBank is exposed to an interest-rate risk because the maturity of assets and liabilities are not matched.</p> <p>Regulatory and legislative changes - BinckBank's business is regulated and supervised by several supervisory authorities. Due to the increase in the regulatory burden and implementation requirements, as well as the increasing complexity of the regulatory environment in which BinckBank operates, BinckBank will incur more costs to ensure that BinckBank is, and continues to be, in compliance with applicable laws and regulations at all times.</p>
D.6	Key information on the risks that are specific and individual to the Securities.	<p>The purchase of Securities is associated with certain risks. The Issuer expressly points out that the description of the risks associated with an investment in the Securities describes only the key risks which were known to the Issuer as at the date of the Base Prospectus.</p> <p>Potential investors of the Securities should recognise that the Securities constitute a risk investment which can lead to a total loss of their investment in the Securities. Any investor in the Securities bears the risk of the Issuer's financial situation worsening and the potential subsequent inability of the Issuer to pay its obligations under the Securities. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of the invested capital. Investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the risks of loss connected with the Securities.</p> <p><u>Risks at maturity linked to the redemption profile of the Securities</u></p> <p><u>[In case of Turbo's Long insert:</u></p> <p>Investors bear the risk of the Turbo's Long expiring [almost] worthless if the price of the Underlying does</p> <p><u>[in the case of Securities with a period related observation add the following text: [at any time] during [the Term of the Securities] [•] reach or fall short of the Current Stop Loss Level, so-called Stop Loss Event. In this case, the Option Right lapses and the Security expires immediately and the Securityholder will receive [in the case of a minimum re-payment insert the following text: subject to the payment of a minimum re-</u></p>

	<p>payment of [0.001] [•] in the Redemption Currency only,] an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [, considering the hedging transactions of the Issuer with the Hedging Counterparty,] [as the fair market price of a Security] on the Stop Loss Expiration Date].]</p> <p><i>[in the case of Securities with a record day related observation add the following text:</i> [at any time] [at [•] hrs. local time [•] on [the Valuation Date] [the Final Valuation Date] [•] reach or fall short of the Current Stop Loss Level. In this case, the Option Right lapses and the Security expires immediately and the Securityholder will receive <i>[in the case of a minimum re-payment insert the following text:</i> subject to the payment a minimum re-payment of [0.001] [•] in the Redemption Currency only,] an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [, considering the hedging transactions of the Issuer with the Hedging Counterparty,] [as the fair market price of a Security] on the Stop Loss Expiration Date].]</p> <p>Even where no Stop Loss Event has occurred and [the Reference Price] [the Settlement Price] of the Underlying exceeds the Current Financing Level, Securityholders will incur a loss, if the Redemption Amount is below the purchase price of the Turbo Long.</p> <p>The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's Long remain unchanged, the value of the Turbo's Long.]</p> <p>[In case of Turbo's Short insert:</p> <p>Investors bear the risk of the Turbo's Short expiring [almost] worthless if the price of the Underlying does</p> <p><i>[in the case of Securities with a period related observation add the following text:</i> [at any time] during [the Term of the Securities] [•] reach or exceed of the Current Stop Loss Level, so-called Stop Loss Event. In this case, the Option Right lapses and the Security expires immediately and the Securityholder will receive <i>[in the case of a minimum re-payment insert the following text:</i> subject to the payment a minimum re-payment of [0.001] [•] in the Redemption Currency only,] an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [, considering the hedging transactions of the Issuer with the Hedging Counterparty,] [as the fair market price of a Security] on the Stop Loss Expiration Date].]</p> <p><i>[in the case of Securities with a record day related observation add the following text:</i> [at any time] [at [•] hrs. local time [•] on [the Valuation Date] [the Final Valuation Date] [•] reach or exceed the Current Stop Loss Level. In this case, the Option Right lapses and the Security expires immediately and the Securityholder will receive <i>[in the case of a minimum re-payment insert the following text:</i> subject to the payment a minimum re-payment of [0.001] [•] in the Redemption Currency only,] an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [, considering the hedging transactions of the Issuer with the Hedging Counterparty,] [as the fair market price of a Security] on the Stop Loss Expiration Date].]</p> <p>Even where no Stop Loss Event has occurred and [the Reference Price] [the Settlement Price] of the Underlying falls short of the Current Financing Level, Securityholders will incur a loss, if the Redemption Amount is below the purchase price of the Turbo Short.</p> <p>The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily</p>
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	<p>adjustments will reduce, if all other factors determining the market price of the Turbo's Short remain unchanged, the value of the Turbo's Short.]</p> <p>[In case of Turbo's XL Long insert:</p> <p>Investors bear the risk of the Turbo's XL Long expiring worthless if the price of the Underlying does</p> <p><i>[in the case of Securities with a period related observation add the following text: [at any time] during [the Term of the Securities] [•] reach or fall short of the Current Knock Out Barrier, so-called Knock Out Event. In this case, the Option Right lapses and the Security expires immediately worthless and the Securityholder will receive no payment; the redemption amount will be equal to zero.]</i></p> <p><i>[in the case of Securities with a record day related observation add the following text: [at any time] [at [•] hrs. local time [•] on [the Valuation Date] [the Final Valuation Date] [•] reach or fall short of the Current Knock Out Barrier, so-called Knock Out Event. In this case, the Option Right lapses and the Security expires immediately worthless and the Securityholder will receive no payment; the redemption amount will be equal to zero.]</i></p> <p>Even where no Knock Out Event has occurred and [the Reference Price] [the Settlement Price] of the Underlying exceeds the Current Strike, Securityholders will - upon exercise of the Turbo's XL Long by either the Securityholder or the Issuer - incur a loss, if the Redemption Amount is below the purchase price of the Turbo XL Long.</p> <p>The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Long remain unchanged, the value of the Turbo's XL Long.]</p> <p>[In case of Turbo's XL Short insert:</p> <p>Investors bear the risk of the Turbo's XL Short expiring worthless if the price of the Underlying does</p> <p><i>[in the case of Securities with a period related observation add the following text: [at any time] during [the Term of the Securities] [•] reach or exceed the Current Knock Out Barrier, so-called Knock Out Event. In this case, the Option Right lapses and the Security expires immediately worthless and the Securityholder will receive no payment; the redemption amount will be equal to zero.]</i></p> <p><i>[in the case of Securities with a record day related observation add the following text: [at the redemption amount will be equal to zero.]</i></p> <p>Even where no Knock Out Event has occurred and [the Reference Price] [the Settlement Price] of the Underlying falls short of the Current Strike, Securityholders will - upon exercise of the Turbo's XL Short by either the Securityholder or the Issuer - incur a loss, if the Redemption Amount is below the purchase price of the Turbo XL Short.</p> <p>The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Short remain unchanged, the value of the Turbo's XL Short.]</p> <p><u>Special risks related to specific features of the Securities structure</u></p>
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		<p><i>[In case of the product feature "Leverage Factor" or, as the case may be, "Multiplier", insert: Since in the definition of "Securities" contained in the section "Product Terms" of the Final Terms the product feature ["Leverage Factor"] ["Multiplier"] is specified to be applicable, potential investors should be aware that the application of the [Leverage Factor] [Multiplier] as well as of any other proportion factor within the determination of the Option Right results in the Securities being in economic terms similar to a direct investment in the [Underlying] [Basket Components], but being nonetheless not fully comparable with such a direct investment[, in particular because the Securityholders do not participate in the relevant performance of the [Underlying] [Basket Components] by a 1:1 ratio, but by the proportion of the [Leverage Factor] [Multiplier].]</i></p> <p><i>[In case of the product feature "Thresholds, barriers or levels", insert: Since in the definition of "Securities" contained in the section "Product Terms" of the Final Terms the product feature Thresholds, barriers or levels" is specified to be applicable, potential investors should consider that the Redemption Amount, if any, under the Securities depends on whether the price of the [Underlying] [Basket Components] equals, and/or falls below respectively exceeds a certain threshold, barrier, level or rating as specified in the relevant Final Terms, at a given time or, as the case may be, within a given period as determined by the Conditions of the Securities.</i></p> <p>Only provided that the relevant threshold, barrier or level has not been reached and/or fallen below respectively exceeded at the time or period as determined by the Conditions of the Securities, the holder of a Security receives an amount, pre-determined in the Conditions of the Securities as Redemption Amount. Otherwise the Securityholder participates in the performance of the [Underlying] [Basket Components] and, therefore, bears the risks of a total loss of the invested capital.]</p> <p><i>[In case of the product feature "Currency Conversion", insert: Since in the definition of "Securities" contained in the section "Product Terms" of the Final Terms the product feature "Currency Conversion" is specified to be applicable, potential investors should consider that the Securityholder's right vested in the Securities is determined on the basis of a currency other than the Redemption Currency, currency unit or calculation unit, and also the value of the [Underlying] [Basket Components] is determined in such a currency other than the Redemption Currency, currency unit or calculation unit. Potential investors should, therefore, be aware that investments in these Securities could entail risks due to fluctuating exchange rates, and that the risk of loss does not depend solely on the performance of the [Underlying] [Basket Components], but also on unfavourable developments in the value of the foreign currency, currency unit or calculation unit.</i></p> <p>Such developments can additionally increase the Securityholders' exposure to losses, because an unfavourable performance of the relevant currency exchange rate may correspondingly decrease the value of the purchased Securities during their term or, as the case may be, the level of the Redemption Amount, if any. Currency exchange rates are determined by factors of offer and demand on the international currency exchange markets, which are themselves exposed to economic factors, speculations and measures by governments and central banks (for example monetary controls or restrictions).]</p> <p><i>[In case of the product feature "No predefined term", insert: Since in the definition of "Securities" contained in the section "Product Terms" of the Final Terms the product feature "No predefined term" is specified to be applicable, potential investors should consider that the Securities have - in contrast to securities with a fixed term - no pre-determined expiration date, and thus no defined term. As a result, the Securityholder's right vested in those Securities, must be exercised by the respective Securityholder on a</i></p>
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	<p>specific Exercise Date in accordance with the exercise procedure described in the Conditions of the Securities, if the Option Right is to be asserted. In the event that the required Exercise Notice is not duly received on the relevant Exercise Date, the Securities cannot be exercised until the next exercise date stated in the Conditions of the Securities.]</p> <p><i>[In case the product feature "Securityholder's Extraordinary Termination Right" is specified to be not applicable, insert:</i> Since in the definition of "Securities" contained in the section "Product Terms" of the Final Terms the product feature "Securityholder's Extraordinary Termination Right" is specified to be not applicable, potential investors should consider that Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term. Prior to the maturity of the Securities the realisation of the economic value of the Securities (or parts thereof), is, unless the Securities have been subject to early redemption or termination by the Issuer in accordance with the Conditions of the Securities or, if so specified in the relevant Final Terms, an exercise of the Security Right by the Securityholders in accordance with the Conditions of the Securities, only possible by way of selling the Securities.</p> <p>Selling the Securities requires that the Market Maker is willing to acquire the Securities at a certain price. The Market Maker intends, under normal market conditions, to provide bid and offer prices for the Securities on a regular basis on behalf of the Issuer. However, the Market Maker makes no firm commitment to provide liquidity by means of bid and offer prices for the Securities, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. Potential investors therefore should not rely on the ability to sell Securities at a specific time or at a specific price. The issuance of the Securities does not result in an obligation of the Issuer towards the Securityholders to compensate for this or to repurchase the Securities.]</p> <p><i>[In case of the product feature "Quanto", insert:</i> Since in the definition of "Securities" contained in the section "Product Terms" of the Final Terms the product feature "Quanto" is specified to be applicable, potential investors should consider that the Price of the [Underlying] [Basket Components] is determined in a currency other than the Redemption Currency, so-called underlying currency. The relevant Price of the [Underlying] [Basket Components] used for the calculation of any amounts payable under the Securities is expressed in the Redemption Currency without any reference to the currency exchange rate between the underlying currency of the [Underlying] [Basket Components], and the Redemption Currency (so-called "quanto"-feature). As a result, the relative difference between the actual interest rate in relation to the Underlying Currency and the actual interest rate in relation to the Redemption Currency may have a negative impact on the value of the Securities.]</p> <p><u>General risks related to the Securities</u></p> <p>The Issuer identifies general risks in relation to the following aspects of the Securities:</p> <ul style="list-style-type: none"> • Termination and Early Redemption at the option of the Issuer; • Adverse impact of adjustments of the Option Right; • Determinations by the Calculation Agent; • Effect of ancillary costs; • Transactions to offset or limit risk; • Trading in the Securities / Illiquidity; • Representation and safekeeping of the Securities; • Pricing of Securities; • Expansion of the spread between bid and offer prices;
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		<ul style="list-style-type: none"> • Borrowed funds; • Effect of hedging transactions on the Securities; • Taxation in relation to the Securities; • Payments made in respect of the Securities may be subject to U.S. withholding tax under the U.S. Internal Revenue Code • Payments made in respect of the Securities may be subject to U.S. withholding tax under FATCA; • The proposed Financial Transactions Tax; • Changes in Taxation in relation to the Securities; and • Potential conflicts of interest. <p><u>Risks related to the [Underlying] [Basket Components]</u></p> <p>The Securities depend on the value of [the Underlying] [the Basket Components] and the risk associated with [this Underlying] [these Basket Components]. The value of [the Underlying] [the Basket Components] depends upon a number of factors that may be interconnected. These may include economic, financial and political events beyond the Issuer's control. The past performance of [an Underlying] [a Basket Component] should not be regarded as an indicator of its future performance during the term of the Securities and the Issuer does not give any explicit or tacit warranty or representation regarding the future performance of [the Underlying] [the Basket Components].</p> <p>Potential investors should be aware that the relevant [Underlying] [Basket Components] will not be held by the Issuer for the benefit of the Securityholders, and that Securityholders will not obtain any rights of ownership (including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights) with respect to [the Underlying] [the Basket Components].</p>
D.6	Investors may lose the value of their entire investment or part of it.	Each investor in the Securities bears the risk of the Issuer's financial situation worsening. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of their entire investment.
Element	Section E – Offer	
E.2b	Reasons for the offer and use of proceeds.	Not applicable. Reasons for the offer and use of proceeds are not different from making profit.
E.3	Terms and conditions of the offer.	<p>[As of <i>[specify Start of the public offer of the Securities: [•]]</i> (the "Start of the public offer of the Securities"), the] [The Securities may be purchased from the Issuer during normal banking hours]. [The offer of the Securities is made on a continuous basis.] There will be no subscription period. The Issue Price per Security is payable on <i>[specify Initial Payment Date: [•]]</i> (the "Initial Payment Date"), or in case of Securities purchased on or after the Initial Payment Date, on the second business day after the purchase date.</p> <p>Only customers of BinckBank (i) who hold a brokerage account with BinckBank, and (ii) who are residents of a Relevant Member State, can purchase the Securities.</p> <p>Upon receipt of the Issue Price per Security on the Initial Payment Date, or in case of Securities purchased on or after the Initial Payment Date, on the second business day after the purchase date, the appropriate number of Securities shall be credited to the investor's securities account with BinckBank by way of book-entry in such securities account.</p>
E.4	Material interests	[As far as the Issuer is aware, no person involved in the issue of [each Series of] the Securities has an interest material to the offer.] <i>[to be inserted*]</i>

E.7	Estimated expenses charged to the investor by the Issuer.	[Not applicable; no expenses are charged to the investor by the Issuer] [<i>to be inserted*</i>]
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2. RISK FACTORS

The different risk factors associated with an investment in the Securities are outlined below. Which of these are relevant to the Securities issued under this Base Prospectus depends upon a number of interrelated factors, especially the type of Securities and of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Components. Investments in the Securities should not be made until all the factors relevant to the Securities have been acknowledged and carefully considered. When making decisions relating to investments in the Securities, potential investors should consider all information contained in this Base Prospectus and, **consult their own legal, tax, financial or other advisor**.

The Issuer expressly points out that the description of the risks associated with an investment in the Securities describes only the key risks which were known to the Issuer as at the date of this Base Prospectus.

I. Issuer specific risks

The Securities entails an issuer risk, also referred to as debtor risk or credit risk for prospective investors. An issuer risk is the risk that BinckBank becomes temporarily or permanently unable to meet its obligations under the Securities.

BinckBank as Issuer is subject to various risks within its business activities. Such risks comprise in particular the following types of risks, where all of these risks might have adverse effects on the value of the Securities.

General insolvency risk

Each investor bears the general risk that the financial situation of the Issuer could deteriorate. The Securities will constitute direct, unsecured and unsubordinated obligations of the Issuer, which, in particular in the case of insolvency of the Issuer, rank *pari passu* with each other and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory provisions of law. **In the event of insolvency of the Issuer, investors may thus experience a total loss of their investment in the Securities.**

Recovery and resolution measures; intervention measures

The Bank Recovery and Resolution Directive ("**BRRD**") and the Single Resolution Mechanism Regulation ("**SRM Regulation**") set out a common European recovery and resolution framework which is composed of three pillars: (i) preparation (by requiring banks to draw up recovery plans and resolution authorities to draw up resolution plans), (ii) early intervention powers and (iii) resolution powers. The BRRD has been transposed into Dutch law pursuant to the Act implementing the European framework for the recovery and resolution of banks and investment firms (*Implementatiewet Europees kader voor herstel en afwikkeling van banken en beleggingsondernemingen*), which entered into force on 26 November 2015. The Issuer is subject to the BRRD as implemented in Dutch law.

The SRM Regulation applies to banks subject to the single supervisory mechanism ("**SSM**") pursuant to Council Regulation (EU) No 1024/2013 and Regulation (EU) No 1022/2013, such as the Issuer, and provides for a single resolution framework ("**SRM**") in respect of such banks. The SRM Regulation has been applicable since 1 January 2016 and prevails over the implementation in national law of the BRRD where it concerns the resolution of such banks. The SRM Regulation also provides for the establishment of a Single Resolution Board ("**SRB**"), which will be responsible for the effective and consistent functioning of the SRM. The SRB also acts as the competent resolution authority for significant banks under the SSM. The competent national resolution authority will in principle be the competent resolution authority for less significant banks, such as the Issuer, and is in that capacity responsible for adopting resolution decisions in respect of such banks. The competent resolution authority in respect of the Issuer is DNB. Under certain circumstances, however, the SRB may instead of DNB act as competent resolution authority in respect of less significant banks.

The SRM and BRRD apply not only to banks, but may also apply to certain investment firms, group entities and (to a limited extent) branches of equivalent non-EEA banks and investment firms. In connection therewith, the SRM and BRRD recognize and enable the application of the recovery and resolution framework both on the level of an individual entity as well as on a group level. The below should be read in the understanding that the Issuer may become subject to requirements and measures under the SRM and BRRD not only with a view to or as a result of its individual financial situation, but also, in certain circumstances, with a view to or as a result of the financial situation of the group that it forms part of.

The BRRD, as implemented under Netherlands law, provides DNB in its capacity as competent national resolution authority with the powers necessary to implement resolution decisions in respect of less significant banks in the Netherlands, such as the Issuer. In addition, DNB, as the competent supervisory authority in respect of less significant banks, is allowed to take certain recovery measures in the event the financial condition of such a bank is deteriorating (subject to further conditions). Such measures could pertain, amongst others, to a change of the legal or operational structure, the removal of (individuals within) senior management or the management body and the appointment of a temporary administrator.

DNB may pursuant to the SRM Regulation decide to write-down, cancel or convert relevant capital instruments of the Issuer, independently or in combination with a resolution action as described below (excluding the bail-in tool) if the Issuer would be deemed no longer viable (or one or more other conditions apply). DNB will subsequently exercise the write-down and conversion powers pursuant to the BRRD, as implemented under Netherlands law, in order to write-down or cancel the relevant capital instruments or convert these instruments into shares or other instruments of ownership, and in accordance with a certain order of priority.

DNB may decide to place the Issuer under resolution if the Issuer would be deemed failing or likely to fail and the other resolution conditions would also be met. As part of the resolution scheme to be adopted by DNB, it may decide to apply certain resolution tools, subject to the general resolution objectives and principles laid down in the SRM Regulation. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the SRM provides for the bail-in tool. The bail-in tool may be applied to recapitalise the Issuer or convert to equity or reduce the principal amount of claims or debt instruments of the Issuer that have been transferred pursuant to one of the aforementioned transfer tools. The bail-in tool extends further than the relevant capital instruments of the Issuer, and may also result in the write-down or conversion of eligible liabilities of the Issuer in accordance with a certain order of priority. In order to ensure the effectiveness of the bail-in tool, the SRM prescribes at all times a minimum requirement for own funds and eligible liabilities ("**MREL**") which may be subject to the bail-in tool. DNB will determine the MREL on a bank-by-bank basis, based on assessment criteria set out in technical regulatory standards but has not determined it for BinckBank yet.

According to the SRM Regulation, the national resolution authorities shall take the necessary action to implement resolution decisions. They shall exercise their powers granted to them under the BRRD, as implemented in national law. In addition to the resolution powers described above, DNB has been granted certain other resolution and ancillary powers to implement any resolution decision in respect of the Issuer. It may for instance decide to terminate or amend any agreement to which the Issuer is a party or replace the Issuer as a party thereto. Furthermore, DNB may, subject to certain conditions, suspend the exercise of certain rights of counterparties vis-à-vis the Issuer or suspend the performance of payment or delivery obligations of the Issuer. In addition, pursuant to Netherlands law, certain counterparty rights may be excluded in the event such rights come into existence or become enforceable as a result of any recovery or resolution measure or any event in connection therewith (subject to further conditions).

On 23 November 2016, the European Commission announced a package of reforms to CRR, CRD IV, the Bank Recovery and Resolution Directive ('**BRRD**') and the Single Resolution Mechanism ('**SRM**') regulation) (the '**EU**

Banking Reforms'), including measures to increase the resilience of EU institutions and enhance financial stability. The proposed texts of the EU Banking Reforms are expected to be adopted during Q2 2019. The EU Banking Reforms are wide-ranging and cover multiple areas, including a binding 3% leverage ratio (as discussed below), the introduction of a binding detailed NSFR, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of 'non-preferred' senior debt, the implementation of the total loss-absorbing capacity ('**TLAC**') standard, an amendment of the MREL framework to align it with the TLAC standard, and the transposition of the fundamental review of the trading book ('**FRTB**') conclusions into EU legislation. As such, the EU Banking Reforms may affect the Issuer (including with regard to the MREL it must maintain) and the Securities (including with regard to their ranking in insolvency and their being at risk of being bailed-in). Save for certain elements, such as the required implementation in the Member States of the 'non-preferred' senior debt by 29 December 2018, the timing for the final implementation of these reforms as at the date of this Base Prospectus is unclear. The legislative proposal in the Netherlands amending the Dutch Bankruptcy Code (*Faillissementswet*) to introduce the 'non-preferred' senior debt entered into force on 14 December 2018.

Finally, the Dutch Act on special measures regarding financial undertakings (*Wet bijzondere maatregelen financiële ondernemingen* or *Interventiewet*, hereinafter the "**Special Measures Financial Institutions Act**") enables the Minister of Finance to intervene with a bank established in the Netherlands, such as the Issuer, if the Minister of Finance is of the view that the stability of the financial system is in serious and immediate danger due to the situation that the bank is in. These powers consist of (i) the expropriation of assets and/or liabilities (*onteigening van vermogensbestanddelen*) of the Issuer, claims against it and securities issued by or with the cooperation of the Issuer and (ii) immediate measures (*onmiddellijke voorzieningen*), which measures may deviate from statutory provisions or the Issuer's articles of association, such as temporarily depriving the Issuer's shareholders from exercising their voting rights and suspending a board member or a supervisory board member ("**Intervention Measures**").

The entry into force of the SRM Regulation and the implementation of the BRRD has raised the question whether the powers attributed to the Minister of Finance on the basis of the Special Measures Financial Institutions Act are compatible with the SRM and implementation of the BRRD. The Dutch legislator has addressed this issue by labelling the Special Measures Financial Institutions Act as state emergency regulations (*staatsnoodrecht*). It is therefore expected that these powers will only be applied if the SRM and BRRD regime would not be effective. The exclusion of certain rights against the Issuer, as discussed above with respect to the BRRD, applies similarly in this context.

Basel III and CRD IV

In December 2010, the Basel Committee on Banking Supervision published its final standards on the revised capital adequacy framework known as "**Basel III**". These standards are significantly more stringent than the existing requirements. In order to facilitate the implementation of the Basel III capital and liquidity standards for banks and investment firms, on 20 July 2011 the European Commission proposed a legislative package to strengthen the regulation of the banking sector. On 26 June 2013 the Council and the European Parliament adopted the package known as "**CRD IV**". CRD IV consists of a directive (the Capital Requirements Directive or "**CRD IV Directive**") and a regulation (the Capital Requirements Regulation or "**CRR**") which aims to create a sounder and safer financial system. The CRD IV Directive governs amongst other things the access to deposit-taking activities while the CRR establishes the majority of prudential requirements institutions need to respect. On 1 August 2014, the CRD IV Directive was implemented in Dutch law. The CRR entered into effect on 1 January 2014 and has direct effect in the Netherlands. Since the introduction of the Basel III framework, the Basel Committee published several consultation documents for the amendment of Basel III. These consultations include, among others, proposals for revision of the standardised approaches for credit, operational and market risk and the introduction of capital floors based on standardised approaches. On 7 December 2017, the Basel Committee published the finalised Basel III reform as improvements to the global regulatory framework ("**Basel III Reforms**") (informally referred to as Basel IV). Basel III Reforms seeks to restore credibility in the calculation of the risk weighted assets and improve the comparability of banks' ratio's. Important changes include the introduction of the aforementioned capital floor, stricter rules for internal models (internal models for operational risk will no longer be permitted; a standardised approach must be applied instead) and stricter rules for calculating risk weighted assets for credit risk (both under the standardised

approach as well as under the internal ratings-based (IRB) approach). The impact of the Basel III Reforms remains subject to considerable uncertainty and transposition by the EU legislature. Any amendments resulting from these the Basel III Reforms and possible future reforms are likely to affect rules contained in CRD IV and/or the application of CRD IV and the rules and regulations based thereon.

CRD IV, in implementing Basel III, intends to increase the quality and quantity of capital, to require increased capital against derivative positions and to introduce a capital conservation buffer, a counter-cyclical buffer, a systemic buffer, a new liquidity framework (liquidity coverage ratio ("LCR") and a net stable funding ratio ("NSFR")) as well as a leverage ratio. The LCR addresses the sufficiency of high quality liquid assets to meet short-term liquidity needs under a specified acute stress scenario which may not fall below 100% of the estimated net cash outflows for the following 30 days. The NSFR requires that banks maintain a stable funding profile in relation to their on- and off-balance sheet activities, i.e., that long-term assets are covered with sufficient stable funding. The leverage ratio is defined as Tier-1 capital divided by a measure of non-risk weighed assets. The ultimate aim of CRD IV is to reduce leverage in order to bring institutions' assets more in line with their capital.

The leverage ratio requirement will be phased in with initially a reporting period, a disclosure obligation as of 1 January 2015 and the migration to a binding harmonized requirement as part of the EU Banking Reforms (as mentioned above and as further described below under *Regulatory and legislative changes*) on 1 January 2018. If Basel III is followed under CRD IV, the leverage ratio may not fall below 3%, though there is still uncertainty as to the exact percentage and scope of the leverage ratio under CRD IV. The EU rules deviate from the Basel III rules in certain aspects (e.g. in imposing an additional systemic risk buffer) and (in respect of some provisions) provide national flexibility to apply more stringent prudential requirements than set in the EU (or Basel) framework. In this respect, the European Commission has proposed a binding leverage ratio of 3% pursuant to the EU Banking Reforms. According to the proposal, competent authorities remain responsible for monitoring leverage policies and processes of individual institutions and may impose additional measures to address risks of excessive leverage, if warranted. As mentioned above, the EU Banking Reforms are expected to be adopted in Q2 2019. The timing for the entry into force of these reforms is, however, unclear at the date of this Base Prospectus.

IFRS 9 - Financial Instruments, classification, and measurement

BinckBank has applied IFRS 9 – Financial Instruments since 1 January 2018. The transition to this standard has had an impact on the accounting principles and on the financial position and results of BinckBank. These impacts are due to the classification of the financial instruments together with the provisions for expected credit loss pursuant to IFRS 9. BinckBank has not adjusted the comparative figures, in accordance with the transition options offered by IFRS 9. All changes have been recognised in the opening statement of financial position of 2018, whereby the effect of the transition is recognised in equity. BinckBank has also elected to keep hedge accounting in line with IAS 39, as is permitted by IFRS 9.

IFRS 9 classifies financial instruments into three measurement categories:

- Financial instruments at amortised cost
- Financial instruments at fair value through profit and loss (FVTPL)
- Financial instruments at fair value through other comprehensive income (FVOCI)

Fundamentally, the classification of financial assets under IFRS 9 depends on two criteria: the contractual cash flow of the instrument and the entity's business model for managing its financial instruments. An entity can classify an instrument at amortised cost if contractual cash flows are solely payments of principal and interest and if the business model is to hold instruments to collect contractual cash flows (business model test). If an instrument fails to meet both criteria, then the financial asset should be measured at fair value.

As a result of the classification requirements under IFRS 9, the only adjustment for BinckBank is that the entire investment portfolio is now classified as financial assets at amortised cost. The financial assets classified as available-for-sale under IAS 39 are measured at amortised cost as from 1 January 2018 onwards. The adjustment by

classification and measurement under IFRS 9 results in a reduction of the carrying value of the investment portfolio as at 1 January 2018 by € 0.7 million, being the revaluation of the portfolio of available-for-sale financial assets as at 31 December 2017. The effect on shareholders' equity, taking into account the tax effects, is € 0.5 million.

Under IFRS 9, financial assets previously classified as available-for-sale financial assets have been reclassified as financial instruments measured at amortised cost. As a result, the fair value reserve presented under equity is no longer applicable.

In addition, IFRS 9 requires a provision for expected credit loss to be raised on the basis of an 'expected credit loss model' for financial assets measured at amortised cost and financial instruments measured at fair value (FVOCI).

The expected credit loss model under IFRS 9 is based on a number of credit quality stages:

- Stage 1: Financial instruments that have not had a significant increase in credit risk since initial recognition. A provision for expected credit loss is recognised for these financial instruments based on the probability of default events occurring during the coming 12 months. Interest income is recognised on the basis of the effective interest rate on the gross carrying value;
- Stage 2: Financial instruments with a significant increase in credit risk since initial recognition. A provision for expected credit loss is recognised for these financial instruments is based on the probability of default events over the expected life of the financial instrument (Lifetime ECL). Interest income is recognised on the basis of the effective interest on the gross carrying value;
- Stage 3: Financial instruments with a demonstrable loss event. A provision for expected credit loss is recognised for these financial instruments which is based on the probability of default events over the expected life of the financial instrument (Lifetime ECL). Interest income is recognised on the basis of the effective interest rate on the revised carrying value after deduction of the credit loss provision.

Hedge accounting

BinckBank has decided, on the basis of its risk policy, to hedge interest rate risk on the balance sheet with interest-rate derivatives. BinckBank elects for the application of IAS 39 for hedge accounting, in accordance with IFRS 9, Financial instruments. In this hedging relationship, the interest-rate derivatives are regarded as hedging instruments and a designated proportion of the cash flows from the mortgage rights as the hedged item. BinckBank determines and documents the hedged instrument and the hedging instruments at the inception of the hedge. Furthermore BinckBank assesses hedge effectiveness both at inception and on continuous basis.

The movements in the fair values of the hedging instruments and the hedged item are recognised in the same line of the income statement. Hedge accounting with an effective hedge relationship results in changes in the fair value of hedging instrument and hedged item that set-off each other. On balance, the ineffective portion of the hedge relationship remains as Result from financial instruments in the income statement. The fair value adjustment of the hedged item recognised in the statement of financial position is then amortised over the weighted average term of the hedged items.

IFRS 15 - Revenue from contracts with customers

BinckBank has applied IFRS 15 – Revenue from Contracts with Customers as from 1 January 2018. This standard has, in particular, an impact on the timing of the recognition of revenue. BinckBank must work through the following five steps in order to apply the basic principle of IFRS 15:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract; and
- recognise revenue when (or as) the entity satisfies a performance obligation.

BinckBank has applied the transition to IFRS 15 on the basis of the modified retrospective approach, whereby only the contracts that continue after IFRS 15 is effective have been assessed and comparative figures have not been

adjusted. The different identified unequivocal groups of contracts and services were assessed on the basis of the step-by-step plan. The services that lead to commission income on securities transactions have a short performance period and are recognised at the moment of settlement of the transactions. The services that lead to fees for asset management and other services are charged retrospectively over the period to which the service relates. The application of these steps did not lead to a difference in the recognition of revenue. Consequently, although the application of the new standard is based on a different concept, this has not had an impact on the financial statements of BinckBank as compared to the previous standards.

IFRS 16 - Leases

This new standard describes the treatment of financial and operating lease contracts. Under the new standard, an asset must be recognised in the statement of financial position, for both types of lease. A financial obligation also has to be recognised when payments are spread across multiple periods. BinckBank has several lease contracts for the operational activities, rental premises and leased cars. As a result, the statement of financial position total will increase for the lease commitments arising from these contracts. BinckBank has elected the following options for the transition involved in the initial application of IFRS 16:

- IFRS 16 will be applied retrospectively, whereby the comparative figures will not be adjusted but the impact will be recognised as an adjustment in the opening balance of equity;
- the discounted value of the lease commitment will be determined on the basis of the marginal interest rate at the time of the transition, in which the value of the lease asset will be set to the net present value of the lease commitment. This will have no financial impact on the opening balance of equity.
- Leases with a term of 12 months or less and leases of low value assets will not be recognised under assets and liabilities, but will be recognised as lease expenses in the income statement.

Due to the transition to IFRS 16, BinckBank's consolidated statement of financial position total has increased by € 6 million as of 1 January 2019. In the assessment a significant assumption is the expected term of the lease. If the transaction with Saxo Bank will be completed, this might effect the expectation of the lease term and subsequently the amount of the asset and lease liability that will be recognised. The effect of the transition to IFRS 16 on equity will be nil and the comparative results will not be adjusted due to the transition options presented above. However, following the application of IFRS 16 the lease expenses will in general be reported slightly earlier in future periods, as the interest charges on the leases will be decrease over time. In addition, lease expenses will be recognised as interest expenses and depreciation, and no longer as a lease amount under other operating expenses.

Business risks

There are various factors, such as loss of customers, falling trading volumes, lower order values and price pressure due to competition, which could result in a fall in income for BinckBank. BinckBank operates in a highly competitive environment in which its competitors, often large financial institutions, have well-established brands and greater financial resources. BinckBank is also seeing competition from smaller online brokers, an increasing number of which are competing aggressively on price. BinckBank's financial position and result can also be adversely affected by unfortunate business decisions, poor execution of business decisions or inadequate response to changes in the business climate in general or in the markets relevant to BinckBank in particular.

BinckBank feels that the risk profile of the business risk (earnings volatility) is too high, since BinckBank is still too dependent on income from securities transactions. In the long term, therefore, BinckBank wishes to create a more stable earnings flow and to become less dependent on transaction-related income. To this end, the executive board has included strategic objectives to create a more balanced earnings flow.

BinckBank's business risk is mainly expressed in its dependence on the transaction volume in the financial markets. When sentiment and volatility in the stock exchange increase, BinckBank's transaction volume also increases. This makes BinckBank's profitability heavily reliant on the sentiment and volatility of the stock exchange. In 2016 BinckBank faced stiff price competition, especially in the Dutch market. Due to the stimulation measures of the European Central Bank, net interest income is still under pressure due to the low level of interest rates in the money

and capital markets. In addition, there are various factors such as loss of customers, fluctuating trading volumes and order values, and price pressure due to competition that could result in a fall in income for BinckBank. BinckBank operates in a highly competitive environment with various types of competitors. On the one hand, there are large financial institutions with greater brand recognition and more financial resources. But BinckBank is also seeing competition from smaller online brokers that compete aggressively on price.

The strategic axes of 'more balanced earnings flow' and 'customer intimacy & operational excellence' have been included BinckBank's strategy. 'More balanced earnings flow' includes the launch of 'Binck Laten Beleggen' in Belgium, the expansion of the asset management activities, the investment in the Dutch mortgage market and the launch of 'Binck Sparen', 'Binck Laten Beleggen', 'Binck Comfort' and 'Binck Pensioen'. 'Customer intimacy & operational excellence' includes continuously working on improving products, services and the ICT platform to attract new customers and retain existing ones. Reducing dependency on transaction-related income will result over time in a more stable earnings flow and an accompanying reduction of the business risk. If circumstances in the areas of sustainability, regulation, funding and market development change, the strategic objectives of BinckBank, including the underlying principles and assumptions, will be reviewed and updated, as needed. The criterion for this will be BinckBank's risk appetite. Decisions with regard to strategic objectives or changes thereto are taken by the executive board and submitted for approval by the supervisory board.

Reputational risks

For BinckBank, the trust of the customer and other stakeholders is essential and BinckBank therefore strives to minimise risks that could damage its reputation as far as possible. Like other banking institutions, BinckBank depends on the trust that private customers and other stakeholders place in it. BinckBank strives to communicate clearly and unambiguously with stakeholders. If matters nevertheless surface and damage confidence in the organisation, these will be dealt with in clear communication. BinckBank follows the development of its share price closely because large price fluctuations may be an indication of, or lead to, negative publicity. In the event of large price fluctuations or negative publicity, an investigation is carried out to establish the cause and, if necessary, a representative is designated to explain the cause or potential cause in a press release in order to pre-empt any unfavourable speculation. BinckBank conducts various customer surveys each year in order to measure customer satisfaction and brand recognition. The results of these surveys are drivers for continuous efforts to provide added value to customers through high-quality services. The outcomes of the customer surveys are also important indicators of the reputational risk and are therefore followed closely within the executive board and the relevant risk committees. A decline of confidence in BinckBank could result in flattening of customer growth, falling trading volumes or customers closing their accounts with BinckBank, which may have a material adverse effect on BinckBank's business, operating result and/or financial position.

On 1 July 2016 the Netherlands Authority for the Financial Markets (AFM) imposed a fine on BinckBank. The fine was imposed for the provision of inaccurate and misleading information in advertisements for Alex Asset Management. BinckBank lodged an appeal against the fine with the AFM. The AFM dismissed BinckBank's appeal and upheld the fine. BinckBank has lodged an appeal against the decision of the AFM. In 2016 and in 2017 the reputation risk was adversely affected by publications regarding law suits and the fines imposed by the AFM for the advertisements of Alex Vermogensbeheer and the late reporting of transactions in financial instruments. On 8 May 2019, the Trade and Industry Appeals Tribunal (Cbb) ruled on BinckBank's appeal. The ruling includes that the AFM forced BinckBank to provide evidence against itself. That evidence was unlawful and could not be used, although there was sufficient other incriminating evidence remaining to show that BinckBank committed the offence. However, the Cbb saw the violation of the prohibition of self-incrimination as a reason to reduce the fine by 25% to EUR 625.000.

BinckBank's reputation could be harmed in the event of a real or perceived notion that assets are not properly managed by BinckBank. This perception could arise if returns are disappointing or as a result of unclear communication and negative publicity. This risk arose in 2014 with Alex Asset Management as there were several price movements during that year on the basis of which the algorithms gave the expected exit or entry signals. In 2014 however, these price movements were rather swiftly followed by price movements in the opposite direction,

which offset the positive effect of the exits and entries and which led to disappointing results in that year for several customers of Alex Asset Management. Due to these disappointing results, Alex Asset Management was cast in a negative light in the news at the end of 2014 and the start of 2015 which resulted in an outflow of customer funds in 2015 and 2016. In 2017, Alex Asset Management once again saw an outflow of customer funds. In 2017, Alex Asset Management once again saw an outflow of customer funds. The managed assets for Alex Asset Management fell to € 1.0 billion in 2017.

Although the performance of Alex Asset Management has improved considerably in recent years, BinckBank still has suffered some reputational damage. The ongoing drain of assets under management from Alex Asset Management remains BinckBank's biggest challenge for meeting its strategic growth target for assets under management. Over 2017, the inflow of assets from the newly launched products (Binck Comfort, Binck Forward, Binck Pension) was not sufficient to fully offset the outflow of assets from Alex Asset Management, so on balance there was a negative movement in the total assets under management, one of BinckBank's most important strategic pillars. Putting a stop to the drain of assets from Alex Asset Management will have BinckBank's full attention in 2018.

Disappointing results over 2014 lead to a number of (former) clients of Alex Asset Management filing complaints with the Financial Services Complaints Tribunal (Kifid). Some of these clients were represented by Vermogensmonitor, while also the Dutch Investors Association VEB reached out to BinckBank with critical questions. The complaints pertained to inter alia the information included in promotional materials distributed between 8 September 2012 through 26 August 2014 and more specifically the information provided in the product documentation on the risks which materialized due to the unusual market conditions of 2014.

In January 2017, BinckBank reached a settlement with Vermogensmonitor and VEB for the benefit of certain (former) Alex Asset Management clients who had filed complaints and who met certain criteria. The settlement was communicated to the market on 20 January 2017. Under the settlement, BinckBank agreed to pay a lump-sum contribution to allow Vermogensmonitor and VEB to offer a compensation to (former) individual Alex Asset Management clients who had filed a complaint and met the agreed criteria. No acknowledgement of liability was agreed or implied. All complaints of the customers of Vermogensmonitor and members of the VEB have been completely resolved.

Future claims, regulatory proceedings and other adversarial proceedings involving BinckBank could have a further adverse effect on the reputation of BinckBank.

Legal and compliance risks

Increasing and extensive changes to legislation and regulations for financial institutions constitute a challenge for banks. BinckBank strives to comply with all existing, changing and new legislation and regulations in a commercially responsible manner. During 2018 and the first half of 2019, BinckBank identified relevant new developments in legislation and regulations. Compliance risk is the risk of financial losses and/or damage to reputation as a result of not adequately complying with applicable legislation and regulations, internal policy and codes of conduct, BinckBank's values, and the standards generally accepted within the market. This is expressed in a 'low' desired risk profile. Each year attention is paid to increasing compliance awareness within the organisation. BinckBank's Governance, Risk & Compliance department covers the following compliance themes: "Anti-Money Laundering", "Anti-Market Abuse", "Duty of Care", "Conflicts of Interest", "Anti-Fraud" and "Culture & Behaviour". Various frameworks (including policies, procedures, trainings and controls) have been implemented the last couple of years to demonstrably bring the compliance risks within these themes within the desired risk profiles. For the themes "Culture & Behaviour" and "Anti-Fraud" BinckBank is currently still in the process of implementing a framework and therefore, in respect of these themes, it cannot yet be determined whether the risk profiles are within the desired risk profile limit.

Furthermore, as BinckBank is subject to financial regulatory supervision in several countries, BinckBank faces risks relating to non-compliance with regulatory requirements. Such non-compliance could result in measures taken by

supervisory authorities such as instructions, fines or other enforcing actions. For ongoing matters relating to regulatory compliance, please see "*Legal and arbitration proceedings*".

BinckBank faces risks relating to compliance with applicable laws and regulations with respect to the products and services it provides, including but not limited to the Securities that may be issued under this Base Prospectus, which could lead to significant losses or reputation damage. These risks are often difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. It is inherently difficult to predict the outcome of any future claims, regulatory proceedings and other adversarial proceedings involving BinckBank, particularly those cases in which the matters are brought by claimants seeking damages of unspecified or indeterminate amounts or involving novel legal claims. An adverse resolution of any such matters may result in negative publicity, a requirement to make payments or the imposition of requirements or restrictions on BinckBank, any of which may have a material adverse effect on BinckBank's business operating result and/or financial position.

General operational risks

Due to the nature of its business activities, BinckBank has a high inherent operational risk. Operational risk is determined by various factors including the large number of complex administrative entries that must be processed on a daily basis. Unexpected events may also occur in BinckBank's operational processes that result in losses or prevent achieving targets. Processes, systems, models and people may fail to perform, there may be instances of fraud, and day-to-day processes may be disrupted. Another important aspect of the operational risk is that communication with the customer and third parties (stock exchanges) is primarily via the internet or telephone. This means that daily practice depends heavily on ICT and external connections. As a result, BinckBank is inherently sensitive to ICT disruptions. A third aspect that leads to a high inherent operational risk is the fact that BinckBank is committed to innovating and improving its services, which results in the regular implementation of system adjustments and improvements. However, errors can arise and directly affect the operational risk profile.

Partly as a result of various process optimisations, the Risk & Control Framework was reviewed in 2017 and comprehensively rationalised with the object of maintaining an integrated and simplified risk framework. This further increased the focus on key risks and key controls.

Despite the large number of risk-mitigating measures in the risk management framework, it is still possible for BinckBank to be faced with incidents that can lead to an operational loss.

ICT risks

Since the business activities of BinckBank depend heavily on ICT, a significant proportion of the operational risk concerns ICT risk. Deficiencies in ICT can constitute a significant threat to critical business processes and customer services. ICT risks can therefore indirectly pose a threat to the results. To reduce this risk, a large number of control measures have been implemented. These include measures in the areas of IT administration, software development, and cybersecurity.

An important element of this is a regular penetration test, in which BinckBank instructs a third party to attempt to break into its systems using the latest techniques and methods. The results can lead to a further tightening of policy and/or controls. Policy principles have been formulated for all significant ICT risk control measures such as system availability, incident handling, problems and system changes, which are measured and reported monthly to the various risk committees using key performance indicators. Information security is seen as a company-wide responsibility. The responsibilities are established in the strategic information security policy and the risk management framework. Information risk management establishes the frameworks in the strategic and tactical information security policy, and monitors the correct implementation of this policy. The first line of defence is responsible for the security of BinckBank's systems, applications and data. BinckBank is an innovative organisation and updates its systems and programs in line with new technological developments, new legislation and regulation, internal information requirements and the needs of its customers. As a result, there is a risk of incorrect and/or incomplete changes to the ICT infrastructure. This places high demands on the management of this situation, achieved through an established change management process which stipulates, among other things, that only

authorised personnel from the ICT department may implement system changes. BinckBank also has various separate development, testing and acceptance environments at its disposal for the development of new software. Before changes to the production environment can be implemented, established procedures must have been completed and approved by the test manager.

ICT Security risks

As an internet bank, BinckBank is by definition exposed to a significant inherent risk of external fraud. The objective of security management is to prevent unauthorised users from accessing information. BinckBank has a variety of measures in place with respect to its infrastructure, systems, applications and data. Information security is seen as a company-wide responsibility. The responsibilities are established in the strategic information security policy (the security governance). Information risk management sets the frameworks in the strategic and tactical information security policy, and monitors that this policy is correctly applied. The first line of defence is responsible for the security of BinckBank's systems, applications and data, with due observance of the policy frameworks.

Also in 2018 there was a clear increase across the entire industry in phishing and spearphishing attacks, ransomware, advanced persistent threats, DDoS attacks, and data leaks. Cybercrime is something that can adversely affect the trust and confidence in BinckBank and its reputation. In 2018 BinckBank devoted extra attention to identifying and mitigating these risks. BinckBank is constantly improving its protection, detection, and response measures and will continue to do so in the future.

In spite of the effort and investment devoted to ensure the security of BinckBank's computer systems, it is impossible to guarantee smooth operation of its systems, free from computer hackers, on an absolute and permanent basis, due to factors that are beyond the control of BinckBank. Wilful disruption and system breakdowns may jeopardise the provision of investor services, which could lead to claims for damages being brought against BinckBank. Remedying problems caused by third parties could require substantial financial and human resources from BinckBank and therefore might have a material adverse effect on the operating result and/or financial position of BinckBank.

Credit risk

Credit risk is the risk of a counterparty and/or issuing institution that is involved in the trade or issue of a financial instrument defaulting on an obligation and thus harming BinckBank financially. It relates to balance sheet items under cash, banks, financial assets, loans and receivables. These items mainly concern the assessment of the counterparty's creditworthiness. BinckBank's credit risk can be subdivided into three categories:

- credit risk on cash and investments; BinckBank has a low desired risk profile for credit risk in the investment portfolio. Investment portfolio purchases must have a long-term credit rating of at least single A (Fitch or equivalent). BinckBank limits the credit risk in its own portfolio by aiming for adequate diversification in its investments through limits on each individual investment.
- credit risk on outstanding collateralised loans/margin obligations/deferred settlement service (SRD) obligations; An SRD contract is a transaction in a selected number of equities listed on Euronext Paris whereby payment for shares purchased or delivery of shares sold may be delayed until the last trading day of the month. The corresponding equity transaction in the cash market is executed by BinckBank in order to cover the price risk. The effect of this is that the sum involved in the transaction is advanced by BinckBank to the customer. This can be seen as a form of collateralised lending for which BinckBank charges a monthly fee. The desired risk profile for mortgage receivables, collateralised loans and margin risk is also low. Specifically, failure to repay (part of) the mortgage loans provided by BinckBank also constitutes a credit risk, which may impact the results on BinckBank.
- for more information on the mortgage loans provided by BinckBank, see "*Information about BinckBank - Trend information and Recent Events - Dutch Residential Mortgage Loans*". BinckBank wishes to avoid a situation in

which it has an uncovered credit exposure to its customers and thus runs a credit risk in respect of its customers. BinckBank can limit the credit risk in respect of its customers by continuously monitoring lending and the collateral for the loans it provides.

- counterparty risk. For BinckBank, counterparty risk is the risk it incurs on counterparties in financial transactions itself, after a price has been agreed but the transaction has not yet actually been settled. If the counterparty defaults, BinckBank is exposed to the risk that a similar transaction can be effected only on less favourable terms. The risk profile for the credit risk is 'low' and BinckBank has remained within the limits of the desired risk profile for the past year.

Hedging Counterparty risk

In connection with the issuance of the Securities, the Issuer has entered into an arrangement with UBS AG, pursuant to which UBS AG will, amongst others, act as Hedging Counterparty to the Issuer in respect of the economic risk of the Securities. As such, UBS AG will conclude transactions ("**UBS Securities**") that correspond to the Issuer's obligations arising from the Securities. The UBS Securities will constitute direct, unsecured and unsubordinated obligations of UBS AG, which, in particular in the case of insolvency of UBS AG, rank *pari passu* with all other current and future unsecured and unsubordinated obligations of UBS AG, with the exception of those that have priority due to mandatory provisions of law.

BinckBank will have an exposure on UBS AG as Hedging Counterparty. Therefore, BinckBank and UBS AG have entered into a collateral agreement which will require UBS AG to post collateral in case the contractual obligations of UBS AG towards BinckBank exceed a certain threshold (€ 50 million). There will be no requirement to post collateral in case the contractual obligations of UBS AG towards BinckBank will be less than such threshold. As a result, a default by the Hedging Counterparty on its contractual obligations towards BinckBank arising from the UBS Securities up to an amount of the to be agreed upon threshold, could have an adverse effect on BinckBank and may negatively impact its operating result and/or financial position.

Liquidity risk

Liquidity risk is the risk that BinckBank will not be able to meet its payment obligations. BinckBank adopts a prudent policy with regard to liquidity risk that is designed to ensure that demand by its customers for their cash can be met at all times. There have been no materially significant incidents with regard to liquidity during the 2016 financial year and there have been no reasons to adjust our liquidity policy. However, there is a risk of liquidity shortage, for example, in the event of incorrect settlement of transactions in financial instruments for customers, a high volume of lending to customers or a sudden decrease in funds entrusted. There could be a material adverse effect on the operating result and/or financial position of BinckBank if such risks materialise.

Interest rate risk

Interest-rate risk is the risk relating to interest rate changes and their effect on BinckBank's capital and/or result. BinckBank is exposed to an interest-rate risk because the maturity of assets and liabilities are not matched. The desired risk profile for the interest-rate risk is set at 'low'. BinckBank remained within the desired risk profile in 2016.

Interest-rate risk on the result

BinckBank does not operate a trading portfolio; however it is still exposed to movements in interest rates due to the loans and investments it places in the market. The effect of a gradual movement in interest rates on BinckBank's profitability is determined using an Earnings-at-Risk model. The Earnings-at-Risk model measures the impact of the interest-rate risk on the adjusted net result by calculating the expected interest income and interest expense on the basis of a gradual change in the market interest rate over a period of one year. This clearly expresses the interest-rate exposure of BinckBank's result. The Treasury & ALM department reports the results and any breaches of the tolerance level to the ALCO on a monthly basis.

Interest-rate risk on capital

The interest-rate risk on capital takes account of sudden changes to the yield curve (interest-rate shocks) that could negatively affect the value of the investment portfolio. BinckBank has an investment portfolio consisting of fixed and variable interest securities that is diversified across various maturities. The investment portfolio is held in the banking book and classified as financial assets available for sale (AFS) or as held-to maturity financial assets (HTM). The AFS part of the investment portfolio is carried at fair value. This means that changes in value due to interest-rate shocks, for instance, will affect BinckBank's equity. The HTM part of the investment portfolio is carried at amortised cost.

In addition, interest rate risk is inherent and the most significant risks associated with mortgages (investments). Due to the existing balance sheet composition and the proposed size and characteristics of BinckBank's investment in mortgages total interest rate risk remains limited for BinckBank. For more information on the mortgage loans provided by BinckBank, see "Information about BinckBank - Trend information and Recent Events - Dutch Residential Mortgage Loans".

Currency risk

Currency risk is the risk of fluctuations in the value of items denominated in foreign currency as a result of movements in exchange rates and the effect of this on the financial position and/or the result of BinckBank. The market risk at BinckBank is expressed in the currency risk. Currency risk is the risk presented by movements in the value of items denominated in foreign currencies due to movements in exchange rates and its effect on BinckBank's capital and/or results. It may have a material adverse effect on BinckBank's operating result and/or financial position if such risk materialises. The policy is not to take active foreign-exchange trading positions. Currency positions can therefore arise only as a result of the facilitation of customer transactions. Currency positions are hedged until 10 p.m. on the same day. The remaining net overnight positions are hedged on the next trading day and do not exceed € 100,000 on average. BinckBank accepts this remaining risk on currency positions

Personnel risk

BinckBank is highly dependent on the continued services and performance of the members of the Executive Board and its key qualified personnel. BinckBank's growth and future success depends on its ability to attract, motivate and retain highly qualified personnel and, in particular, trained and experienced technical professionals capable of providing sophisticated IT-solutions. No assurance can be given that BinckBank will continue to be successful in attracting, motivating and retaining, on acceptable terms, suitably qualified employees. The inability to attract, motivate or retain such employees could have a material adverse effect on BinckBank's business, operating result and/or financial position.

Regulatory and legislative changes

BinckBank's business is regulated and supervised by several supervisory authorities. Laws and regulations applied at national and international level generally grant supervisory authorities broad administrative discretion over BinckBank's activities, including the power to limit or restrict business activities.

The increasing and extensive changes to legislation for financial institutions are a challenge for small and medium-sized banks. BinckBank strives to comply with all existing, changing and new legislation in a manner that is commercially responsible.

It is possible that the laws and regulations governing BinckBank's business or particular products, including but not limited to the Securities that may be issued under this Base Prospectus, and services could be amended or interpreted in a manner that is adverse to BinckBank or the Securityholders, for example, to the extent that existing laws and regulations are amended or future laws and regulations are adopted that (i) reduce or restrict the services of BinckBank, whether existing or new, or (ii) adversely affect the performance of the products and services BinckBank offers.

BinckBank's results from operations could also be affected by an increase or change in the degree of law and regulation in any of the markets in which it operates, whether existing or new.

Since the financial crisis, various measures have been taken to prevent banks from experiencing financial difficulties again in future. These measures include more stringent requirements regarding the size and quality of own funds that banks should hold and radical changes have also been made to the supervision of banks. In 2016, a start was made with phasing in the capital conservation buffer and countercyclical buffer. In addition, further measures have been proposed to improve the resolvability of a bank should it nevertheless encounter problems despite these precautions. These include proposals for an MREL and a TLAC. Bail-in-able debt capital plays an important role in these proposals.

As the next step, in December 2017 the Basel Committee established definitive standards for the improvement of the robustness and risk sensitivity of the standardised approaches for credit risk and operational risk, which will make comparison between the capital ratios of banks easier. There were also limitations set on the use of internally modelled approaches, and definitive rules established for the leverage ratio. The risk weightings of various assets were increased, with the result that in the foreseeable future banks will have to maintain even more capital.

Because the eventual implementation of the rules through European regulations will be decisive for the European banks, it is very difficult at this stage to estimate the extent of their impact.

In respect of the leverage ratio, the European Commission has proposed a binding leverage ratio of 3% pursuant to the EU Banking Reforms. According to the proposal, competent authorities remain responsible for monitoring leverage policies and processes of individual institutions and may impose additional measures to address risks of excessive leverage, if warranted. International discussions regarding a possible leverage ratio surcharge for global systemically important banks ('G-SIBs') have resulted in the Basel III Reforms and the EU Banking Reforms introducing such surcharge. The Issuer does not currently qualify as such a G-SIB. An increase of the leverage ratio for other systematically important institutions is being analyzed on an EU level. It is currently unclear what this increase will look like and thus what its impact on the Issuer will be.

Furthermore, the EU Banking Reforms also include a directive which entered into force on 28 December 2017 amending the BRRD (the "**BRRD Amendment Directive**"). The BRRD Amendment Directive provides for an EU harmonised approach on bank creditors' insolvency ranking that would enable banks to issue debt in a new statutory category of unsecured debt, ranking just below the most senior debt and other senior liabilities for the purposes of resolution, while still being part of the senior unsecured debt category. The EU Banking Reforms also propose a moratorium tool allowing for the suspension of certain contractual obligations for a short period of time in resolution as well as in the early intervention phase. The legislative proposal in the Netherlands amending the Dutch Bankruptcy Code (*Faillissementswet*) to implement the BRRD Amendment Directive entered into force on 14 December 2018. The EU Banking Reforms are expected to take into account the final report submitted by the European Banking Authority ("**EBA**"), on 14 December 2016 which contains a number of recommendations to amend the current MREL framework. As such, the EU Banking Reforms may affect the Issuer (including with regard to the MREL it must maintain) and the Securities (including with regard to their being at risk of being bailed-in). Save for certain elements, such as the required implementation in the Member States of the 'non-preferred' senior debt by 29 December 2018, the timing for the final implementation of these reforms as at the date of this Base Prospectus is unclear.

The value of the Securities may be calculated by reference to certain reference indices. Any such reference index may constitute a benchmark under Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). Not every reference index will fall within the scope of the Benchmark Regulation. Furthermore, transitional provisions in the Benchmark Regulation may have the result that an administrator and/or a benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of any administrator or benchmark under the Benchmark Regulation is a matter of public record and, save where required by applicable

law, the Issuer does not intend to update any Final Terms to reflect any change in the registration status of the administrator.

Various benchmarks (including interest rate benchmarks such as the London Inter-Bank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**")) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective, such as the Benchmark Regulation, whilst others are still to be implemented.

Under the Benchmark Regulation, new requirements will apply with respect to the provision of a wide range of benchmarks (including LIBOR and EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmark Regulation will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognized or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognized or endorsed).

These reforms and other pressures (including from regulatory authorities) may cause one or more benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted. Moreover, any significant change to the setting or existence of LIBOR, EURIBOR or any other relevant benchmark could affect the ability of the Issuer to meet its obligations under the Securities and could have a material adverse effect on the value or liquidity of, and amounts payable under, the Securities.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to any Securities linked to or referencing a 'benchmark'.

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR were discontinued or otherwise unavailable, the rate of interest on Securities which reference LIBOR will be determined for the relevant period by the fall-back provisions applicable to such Securities.

When a substitute (such substitute rate or index a "**Substitute Reference**") is determined by the Calculation Agent (the Calculation Agent in such capacity shall be referred to as the "**Substitute Determination Agent**") in accordance with the fall-back provisions applicable to such Securities, the Substitute Determination Agent may be considered an 'administrator' under the Benchmark Regulation. This is the case if it is considered to be in control over the provision of the Substitute Reference and/or the determined rate of interest on the basis of the Substitute Reference and any adjustments made thereto by the Substitute Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario. This would mean that the Substitute Determination Agent (i) administers the arrangements for determining such rate, (ii) collects, analyses, or processes input data for the purposes of determining such rate and (iii) determines such rate through the application of a method of calculation or by an assessment of input data for that purpose. Furthermore, for the Substitute Determination Agent to be considered an 'administrator' under the Benchmark Regulation, the Substitute Rate and/or the determined rate of

interest on the basis of the Substitute Rate and any adjustments made thereto by the Substitute Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario should be a benchmark (index) within the meaning of the Benchmark Regulation. This may be the case if the Substitute Rate and/or the determined rate of interest on the basis of the Substitute Rate and any adjustments made thereto by the Substitute Determination Agent and/or otherwise in determining the applicable rate of interest in the context of a fall-back scenario, is published or made available to the public and regularly determined by the application of a method of calculation or by an assessment, and on the basis of certain values or surveys.

The Benchmark Regulation stipulates that each administrator of a benchmark regulated thereunder or the benchmark itself must be registered, authorized, recognized or endorsed, as applicable, in accordance with the Benchmark Regulation. There is a risk that administrators (which may include the Substitute Determination Agent in the circumstances as described above) of certain benchmarks will fail to obtain such registration, authorization, recognition or endorsement, preventing them from continuing to provide such benchmarks, or may otherwise choose to discontinue or no longer provide such benchmark.

The Substitute Rate will (in the absence of manifest error) be final and binding, and will apply to the relevant Securities without any requirement that the Issuer obtain consent of any Securityholders. In addition, due to the uncertainty concerning the availability of successor rates and substitute reference rates and the involvement of a Substitute Determination Agent, the relevant fallback provisions may not operate as intended at the relevant time. In addition, the Substitute Determination Agent may perform differently from the discontinued benchmark. For example, there are currently proposals to replace LIBOR (which generally has a term of one, three or six months) with an overnight rate. Similarly, proposals have been made to use a rate on highly rated government obligations to replace LIBOR, which is currently based on interbank lending rates and carries an implicit element of credit risk of the banking sector. Any such consequences could have a material adverse effect on the value of and return on any such Securities. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Securities or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Securities.

On 20 February 2017, a consultation for a bill was made public that will (if entered into force) grant the AFM the authority to prohibit any commercial or promotional materials or advertisements for certain complex financial products aimed at consumers in the Netherlands. The intended date for this amendment to enter into force was 1 July 2017, but at the date of this Base Prospectus this legislation has not yet entered into force. In March 2018, the Minister of Finance indicated that it is intended that the legislation which prohibits advertising for certain financial products will enter into force on 1 July 2018. It is at this time not clear whether this legislation will enter into effect, and if so, whether the Securities will fall in the category of products that for which the AFM can issue such a prohibition. If this prohibition enters into effect and the Securities are made subject to this prohibition, this may have a commercial impact on BinckBank.

BinckBank cannot fully predict the exact impact the above laws, other laws applicable to BinckBank and/or new laws and regulations will have on its business, and the risks ensuing therefrom, until all final laws and regulations are adopted and implemented and what the scope of these laws and regulations will be.

Due to the increase in the regulatory burden and implementation requirements, as well as the increasing complexity of the regulatory environment in which BinckBank operates, BinckBank will incur more costs to ensure that BinckBank is, and continues to be, in compliance with applicable laws and regulations at all times. Any new or changed laws and regulations may adversely affect BinckBank's business and/or results of operations.

Changes of tax laws

The tax laws and regulations in the jurisdictions in which BinckBank operates may be subject to change. New tax laws or regulations may be introduced by competent authorities with or without retrospective effect and there may be changes in the interpretation and enforcement of such tax laws or regulations. As a result, BinckBank may face

increases in taxes payable, for example, if tax rates increase, if tax laws or regulations are modified in an adverse manner, or if new tax laws or regulations are introduced by the competent authorities, with or without retrospective effect. In addition, tax authorities in the relevant jurisdictions may periodically examine BinckBank. Tax audits for periods not yet reviewed may consequently lead to higher tax assessments (plus accrued interest and penalties). Any additional taxes or other sums that become due may have a material adverse effect on BinckBank's business, results of operations, financial condition and prospects.

In this respect, the Dutch government aims to introduce a 'thin-capitalization rule' for banks and insurers as of 2020. This new rule would limit the deduction of interest for banks and insurance companies if highly leveraged. On 18 March 2019, the Dutch government published a consultation paper regarding this thin-capitalization rule including draft legislation for consultation purposes. The draft legislation limits the applicability of the thin-capitalization rule to qualifying banks and insurance companies, such as BinckBank. In short, the thin-capitalization rule would apply to qualifying banks and insurance companies with an equity of less than 8% of the balance sheet total (to be determined on the basis of a set of specific provisions that refer, amongst others, to the Capital Requirements Regulation (CRR)). If the thin-capitalization rule is implemented in Dutch law in accordance with this draft legislation, the thin-capitalization rule may have an adverse impact on the amount of interest BinckBank can deduct for Dutch corporate income tax purposes and thus on its financial position.

Risks related to asset management

BinckBank provides asset management services (Binck Forward, Binck Comfort and Alex Asset Management) based on fully automated and individualised active investment models that, based on technical analysis, generates instructions for the purchase and sale of shares, funds and bond ETF's within the managed portfolios. The number of transactions and the period during which positions are retained may fluctuate depending on market circumstances and the resulting trends. Unlike traditional asset management, the asset management products operate on the basis of an asymmetric risk models and do not apply a fixed asset mix and hence the individual asset portfolios can be composed of shares only, depending on market circumstances. The investment model of the asset management products are designed to preserve capital in falling markets and to increase capital in rising markets. In general, apply certain criteria and algorithms, the models will dispose of part of the assets invested in shares in falling markets and will use the proceeds to purchase bond ETF's ('exit strategy'), whereas in rising markets, the bond ETF's are sold and shares are purchased ('entry strategy').

The risk profile of the activities of the asset management division is different from that of the execution-only activities of BinckBank. The potential risks identified can be divided into risks associated with the duty of care, operational risk and reputational risk. The standards regarding the duty of care are stricter for asset management than they are for execution-only services and place an additional responsibility on the asset manager. BinckBank meets the applicable requirements by establishing a customer's investment profile prior to the provision of its service by means of a digital intake procedure and obtaining the customer approval in digital form. BinckBank asks its asset management customers to update their investment profile once a year. BinckBank checks daily - through automated processes - to establish that the customer's portfolio is in line with market developments and whether it corresponds to the established investment profile and objectives. Transactions are executed automatically to expand or reduce positions if this is advisable. This is also a fully automated process. The operational risks mainly concern heavy reliance on the ICT systems, decision models, and the accuracy of data used to identify trends, such as historical prices, traded volumes, and corporate actions that affect prices. Various controls are in place.

II. Security specific risks

Investing in the Securities involves certain risks. Among others, these risks may be related to equity markets, commodity markets, bond markets, foreign exchanges, interest rates, market volatility and economic and political risks and any combination of these and other risks. The material risks are presented below. Potential investors should be experienced with regard to transactions in instruments such as the Securities and in the Underlying or, if in

the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Components. **Potential investors should understand the risks associated with an investment in the Securities and shall only reach an investment decision, after careful consideration with their legal, tax, financial or other advisor of (i) the suitability of an investment in the Securities in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this Base Prospectus and (iii) the Underlying or, as the case may be, the Basket Components.**

An investment in the Securities should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Underlying or, as the case may be, of the Basket Components. This is because the value of the Securities and, hence, any amount, if any, payable in accordance with the relevant Product Terms comprised in the Final Terms in conjunction with the General Conditions comprised in this Base Prospectus, (together constituting the "**Conditions**"), of the relevant Securities, the Leverage Factor or the Multiplier will be dependent, *inter alia*, upon such changes. More than one risk factor may have simultaneous effects with regard to the Securities, so that the effect of a particular risk factor is not predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given with regard to the effect that any combination of risk factors may have on the value of the Securities.

Moreover, one of the key features of the Securities is its so-called "**Leverage Effect**": Any change in the value of the Underlying or the Basket Components may result in a disproportionate change in the value of the Security. **The Securities, consequently, also involve disproportionate loss exposure**, if the price of the Underlying or, as the case may be, the Basket Components, develops unfavourably. Therefore, when buying a certain Security, it should be noted that the higher the leverage effect of a Security, the higher the loss exposure involved. In addition, it should be noted that, typically, the shorter the (remaining) maturity of the Security, the higher the leverage effect.

Potential investors of the Securities should recognise that the Securities **constitute an investment which is accompanied by a certain level of risk** which can lead to a **total loss** of their investment in the Securities. Investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the **risks of losses** in connection with the Securities.

None of the Securities vests a right to payment of fixed or variable interest or dividends and, as such, they **generate no regular income**. Therefore, potential reductions in the value of the Securities cannot be offset by any other income from the Securities.

It is expressly recommended that potential investors familiarise themselves with the specific risk profile of the product type described in this Base Prospectus.

1. Special risks related to specific features of the Securities structure

Prior to investing in the Securities, potential investors should note that the following special features of the Securities may have a negative impact on the value of the Securities or, as the case may be, on any amount, if any, payable according to the Conditions of the Securities and that the Securities accordingly have special risk profiles:

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Leverage Factor**" or, as the case may be, "**Multiplier**" is specified to be applicable,

potential investors should be aware that the application of the Leverage Factor or of the Multiplier, as specified to be applicable in the Final Terms, as well as of any other proportion factor within the determination of the Option Right results in the Securities being in economic terms similar to a direct investment in the Underlying or, as the case may be, in the Basket Components, but being nonetheless not fully comparable with such a direct investment, in particular because, if so specified in the relevant Final Terms, the Securityholders do not participate in the relevant

performance of the Underlying or, as the case may be, Basket Components by a 1:1 ratio, but by the proportion of the Leverage Factor or of the Multiplier.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Thresholds, barriers or levels**" is specified to be applicable,

potential investors should consider that the Redemption Amount, if any, under the Securities depends on whether the price of the Underlying or, as the case may be, the Basket Components equals, and/or falls below respectively exceeds a certain threshold, barrier, level or rating as specified in the relevant Final Terms, at a given time or, as the case may be, within a given period as determined by the Conditions of the Securities.

Only provided that the relevant threshold, barrier or level has not been reached and/or fallen below respectively exceeded at the time or period as determined by the Conditions of the Securities, the holder of a Security receives an amount, pre-determined in the Conditions of the Securities as Redemption Amount. Otherwise the Securityholder participates in the performance of the Underlying or, as the case may be, the Basket Components and, therefore, bears the risks of a total loss of the invested capital.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Currency Conversion**" is specified to be applicable,

potential investors should consider that the Securityholder's right vested in the Securities is determined on the basis of a currency other than the Redemption Currency, currency unit or calculation unit, and also the value of the Underlying or, as the case may be, the Basket Components is determined in such a currency other than the Redemption Currency, currency unit or calculation unit. Potential investors should, therefore, be aware that investments in these Securities could entail risks due to fluctuating exchange rates, and that the risk of loss does not depend solely on the performance of the Underlying or, as the case may be, the Basket Components, but also on unfavourable developments in the value of the foreign currency, currency unit or calculation unit.

Such developments can additionally increase the Securityholders' exposure to losses, because an unfavourable performance of the relevant currency exchange rate may correspondingly decrease the value of the purchased Securities during their term or, as the case may be, the level of the Redemption Amount, if any. Currency exchange rates are determined by factors of offer and demand on the international currency exchange markets, which are themselves exposed to economic factors, speculations and measures by governments and central banks (for example monetary controls or restrictions).

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**No predefined term**" is specified to be applicable,

potential investors should consider that the Securities have - in contrast to securities with a fixed term - no pre-determined expiration date, and thus no defined term. As a result, the Securityholder's right vested in those Securities must be exercised by the respective Securityholder on a specific Exercise Date in accordance with the exercise procedure described in the Conditions of the Securities, if the Option Right is to be asserted. In the event that the required Exercise Notice is not duly received on the relevant Exercise Date, the Securities cannot be exercised until the next exercise date stated in the Conditions of the Securities.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Stop Loss Event**" or, as the case may be, "**Knock Out Event**" is specified to be applicable,

potential investors should consider that in case of the occurrence of a Stop Loss Event or, if so specified in the relevant Final Terms, of a Knock Out Event in accordance with the Conditions of the Securities, the term of all outstanding Warrants is automatically terminated.

The Securityholder, therefore, bears the risk of not participating in the performance of the Underlying or, as the case may be, the Basket Components to the expected extent and during the expected period and, therefore, receives less than its capital invested.

In the case of the occurrence of a Stop Loss Event or, if so specified in the relevant Final Terms, of a Knock Out Event, the Securityholder also bears the risk of a reinvestment, i.e. the investor bears the risk that it will have to re-invest the redemption amount, if any, paid by the Issuer in the case of the occurrence of a Stop Loss Event or, if so specified in the relevant Final Terms, of a Knock Out Event at market conditions, which may be less favourable than those existing prevailing at the time of the acquisition of the Securities

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Securityholder's Extraordinary Termination Right**" is specified to be **not** applicable,

potential investors should consider that Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term. Prior to the maturity of the Securities the realisation of the economic value of the Securities (or parts thereof), is, unless the Securities have been subject to early redemption or termination by the Issuer in accordance with the Conditions of the Securities or, if so specified in the relevant Final Terms, an exercise of the Security Right by the Securityholders in accordance with the Conditions of the Securities, only possible by way of selling the Securities.

Selling the Securities requires that the Market Maker is willing to acquire the Securities at a certain price. The Market Maker intends, under normal market conditions, to provide bid and offer prices for the Securities on a regular basis on behalf of the Issuer. However, the Market Maker makes no firm commitment to provide liquidity by means of bid and offer prices for the Securities, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. **Potential investors therefore should not rely on the ability to sell Securities at a specific time or at a specific price.** The issuance of the Securities does not result in an obligation of the Issuer towards the Securityholders to compensate for this or to repurchase the Securities.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Quanto**" is specified to be applicable,

potential investors should consider that the Price of the Underlying or, as the case may be, the Basket Components is determined in a currency other than the Redemption Currency, so-called underlying currency. The relevant Price of the Underlying or of the Basket Components used for the calculation of any amounts payable under the Securities is expressed in the Redemption Currency without any reference to the currency exchange rate between the underlying currency of the Underlying or, as the case may be, the Basket Components, and the Redemption Currency (so-called "quanto"-feature). As a result, the relative difference between the actual interest rate in relation to the Underlying Currency and the actual interest rate in relation to the Redemption Currency may have a negative impact on the value of the Securities.

2. General risks related to the Securities

Termination and Early Redemption at the option of the Issuer

Potential investors in the Securities should be aware that the Issuer is, pursuant to the Conditions of the Securities, under certain circumstances, e.g. in case that (i) the determination and/or publication of the price of the Underlying or, as the case may be, a Basket Component is discontinued permanently or (ii) that due to the coming into effect of changes in laws or regulations (including but not limited to tax laws) at the reasonable discretion of the Issuer the

holding, acquisition or sale of the Underlying or, as the case may be, a Basket Component is or becomes wholly or partially illegal, entitled to terminate and redeem the Securities in total prior to the scheduled Redemption Date. In case of a **share as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the Issuer is pursuant to the Conditions of the Securities also entitled to termination, if the liquidity of the shares of the affected company is, in the Issuer's opinion, significantly affected by a take-over of the relevant shares, even without the occurrence of a delisting. In case the Issuer terminates and redeems the Securities prior to the Redemption Date, the Securityholder is in accordance with the Conditions of the Securities entitled to demand the payment of a redemption amount in relation to this early redemption. However, the Securityholder is not entitled to request any further payments on the Securities after the relevant termination date.

The Securityholder, therefore, bears the risk of not participating in the performance of the Underlying or, as the case may be, the Basket Components, to the expected extent and during the expected period.

In the case of a termination of the Securities by the Issuer, the Issuer shall pay to each Securityholder an amount in the Redemption Currency with respect to each Security held by such Securityholder, which is determined by the Calculation Agent at its reasonable discretion and, if applicable, considering the then prevailing Price of the Underlying or, as the case may be, the Basket Components and the expenses of the Issuer caused by the termination, as the fair market price of a Security at the occurrence of the termination. When determining a fair market price of a Security, the Calculation Agent is entitled to consider all factors, including any adjustments of option contracts on the Underlying or, as the case may be, the Basket Components, without being bound to any third party measures or assessments, in particular any measures or assessments of any futures or options exchange. Due to the fact that the Calculation Agent may take into consideration the market factors it considers to be relevant at its reasonable discretion without being bound to third party measures or assessments, it cannot be excluded that the amount determined by the Calculation Agent at its reasonable discretion as the fair market price of the Security at the occurrence of the termination – and, hence, the Termination Amount - may differ from the market price of comparable Securities relating to the Underlying or, as the case may be, the Basket Components, as determined by a third party.

In the case of a termination of the Securities by the Issuer, the Securityholder bears the risk of a reinvestment, *i.e.* the investor bears the risk that it will have to re-invest the Termination Amount, if any, paid by the Issuer in the case of termination at market conditions, which may be less favourable than those prevailing at the time of the acquisition of the Securities.

Possible fluctuations in the price of the Underlying or, as the case may be, the Basket Components after termination of the Securities

In the event that the term of the Securities is terminated early by the Issuer pursuant to the Conditions of the Securities, potential investors of the Securities should note that any adverse fluctuations in the Price of the Underlying or, as the case may be, of the Basket Components between the announcement of the termination by the Issuer and the determination of the Price of the Underlying or, as the case may be, the Basket Components relevant for the calculation of the then payable relevant Termination Amount or, if in the applicable Product Terms in the definition of "Securities" the product feature "**Securityholder's Extraordinary Termination Right**" is specified to be applicable, of the Securityholder Termination Amount, as the case may be, are borne by the Securityholders.

Adverse impact of adjustments of the Option Right

It cannot be excluded that certain events occur or certain measures are taken (by parties other than the Issuer) in relation to the Underlying or, as the case may be, the Basket Components, which potentially lead to changes to the Underlying or, as the case may be, the Basket Components or result in the underlying concept of the Underlying or, as the case may be, the Basket Components being changed, so-called Potential Adjustment Events. In the case of the occurrence of a Potential Adjustment Event, the Issuer shall be entitled to effect adjustments according to the

Conditions of the Securities to account for these events or measures. These adjustments might have a negative impact on the value of the Securities.

Determinations by the Calculation Agent

The Calculation Agent has certain discretion under the Conditions of the Securities (i) to determine whether certain events have occurred (in particular, the occurrence of a Potential Adjustment Event or a Market Disruption in accordance with the Conditions of the Securities), (ii) to determine any resulting adjustments and calculations, (iii) to make adjustments to the Underlying or, as the case may be, the Basket Components and (iv) to postpone valuations or payments under the Securities. The Calculation Agent will make any such determination at its reasonable discretion and in a commercially reasonable manner. Potential investors should be aware that any determination made by the Calculation Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any determination made by, the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

Other factors affecting the value

The value of a Security is determined not only by changes in the Price of the Underlying or, as the case may be, the Basket Components, but also by a number of other factors. Since several risk factors may have simultaneous effects on the Securities, the effect of a particular risk factor cannot be predicted. In addition, several risk factors may have a compounding effect which may not be predictable. No assurance can be given with regard to the effect that any combination of risk factors may have on the value of the Securities.

These factors include the term of the Securities, the frequency and intensity of price fluctuations (volatility), as well as the prevailing interest rate and dividend levels. A decline in the value of the Security may therefore occur even if the Price of the Underlying or, as the case may be, the Basket Components remain(s) constant.

Potential investors of the Securities should be aware that an investment in the Securities involves a valuation risk with regard to the Underlying or, as the case may be, the Basket Components. They should have experience with transactions in securities with a value derived from the Underlying or, as the case may be, the Basket Components. The value of the Underlying or, as the case may be, the Basket Components may vary over time and may increase or decrease by reference to a variety of factors which may include BinckBank corporate action, macro-economic factors and speculation. In addition, the historical performance of the Underlying or, as the case may be, the Basket Components is not an indication of its future performance. Changes in the market price of the Underlying or, as the case may be, the Basket Components will affect the trading price of the Securities, and it is impossible to predict whether the market price of the Underlying or, as the case may be, the Basket Components will rise or fall or improve or worsen, respectively.

Effect of ancillary costs

Commissions and other transaction costs incurred in connection with the purchase or sale of Securities may result in charges, particularly in combination with a low order value, **which can substantially reduce any Redemption Amount, if any, to be paid under the Securities.** Before acquiring a Security, potential investors should therefore inform themselves of all costs incurred through the purchase or sale of the Security.

Transactions to offset or limit risk

Potential investors of the Securities should not rely on the ability to conclude transactions at any time during the term of the Securities that will allow them to offset or limit relevant risks. This depends on the market situation and the prevailing conditions. Transactions designed to offset or limit risks might only be possible at an unfavourable market price that will entail a loss for investors.

Trading in the Securities / Illiquidity

It is not possible to predict if and to what extent a secondary market may develop in the Securities or at what price the Securities will trade in the secondary market or whether such market will be liquid or illiquid.

The Issuer does not intend to apply for admission of the Securities to trading on a regulated market or other equivalent market.

The Securities will become tradable on CATS. CATS is a bilateral trading system and only facilitates bilateral transactions. Securityholders will be able to place orders in Securities with BinckBank, which orders will be submitted by BinckBank to the Market Maker. The fact that the Securities will be tradable on CATS does not necessarily denote greater liquidity than if this were not the case. Additionally, the Issuer has the right (but no obligation) to purchase Securities at any time and at any price on CATS. Any Securities so purchased may be held or resold or surrendered for cancellation.

In addition, it cannot be excluded that the number of Securities actually issued and purchased by investors is less than the intended Issue Size of the Securities. Consequently, there is the risk that due to the low volume of Securities actually issued the liquidity of the Securities is lower than if all Securities were issued and purchased by investors.

The Market Maker intends, under normal market conditions, to provide bid and offer prices for the Securities on a regular basis on behalf of the Issuer. However, the Market Maker makes no firm commitment to provide liquidity by means of bid and offer prices for the Securities, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. The Market Maker determines any bid and offer prices of the Securities by using common pricing models taking into account the changes in parameters that determine market prices. Unlike stock exchange trading prices (of shares, for example) these prices are not directly determined by the principle of offer and demand in relation to Securities. In case of extraordinary market conditions or technical problems, it may be temporarily complicated or impossible to purchase or sell the Securities. **Potential investors therefore should not rely on the ability to sell Securities at a specific time or at a specific price.**

Representation and safekeeping of the Securities

BinckBank holds with UBS Switzerland AG as the Settlement Bank:

- (i) a Client Securities Account in the name of BinckBank, which Client Securities Account will hold the Securities in book-entry form for the account of the Securityholders, and
- (ii) a Client Cash Account in the name of BinckBank for settlement of cash flows relating to the Securities in the Client Securities Account.

The Settlement Bank will settle all trades in the Securities by way of corresponding book-entries in the Client Securities Account, and the Settlement Bank will make corresponding and simultaneous cash debits or credits in the Client Cash Account.

Upon a settlement of a trade in the Securities by way of a book-entry in the Client Securities Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous book-entry in the securities account of the relevant Securityholder with BinckBank.

Upon a cash debit or credit in the Client Cash Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous cash debit or credit in the cash account of the relevant Securityholder with BinckBank.

Consequently, BinckBank will only be in a position to make a book-entry in the securities account of the Securityholder or to make a cash credit in the cash account of the relevant Securityholder, after the Settlement Bank has made a book-entry in the Client Securities Account or a cash credit in the Client Securities Account respectively. A delay by the Settlement Bank in making the relevant book-entry or cash credit will therefore result in a delay by BinckBank in making the corresponding book-entry or cash credit in the securities account or cash account of the Securityholder.

The Issuer has no responsibility or liability under any circumstances for any acts and omissions of the Settlement Bank as well as for any losses which might occur to a Securityholder out of such acts and omissions.

Pricing of Securities

Unlike most other securities, the pricing of these Securities is not based on the principle of offer and demand in relation to Securities, since the Market Maker quotes independent bid and offer prices. This price calculation is based on price calculation models prevailing in the market, whereas the theoretical value of the Securities is, in principle, determined on the basis of the value of the Underlying or, as the case may be, the Basket Components and the value of other features attached to the Securities, each of which features may, in economic terms, be represented by another financial instrument.

The potentially quoted prices do not necessarily correspond to the Securities' intrinsic value.

Expansion of the spread between bid and offer prices

In special market situations, where UBS AG as hedging counterparty (the "**Hedging Counterparty**") is completely unable to conclude hedging transactions, or where such transactions are very difficult to conclude, the spread between the bid and offer prices may be temporarily expanded, in order to limit the economic risks to the Hedging Counterparty. Therefore, Securityholders who wish to sell their Securities might sell at a price considerably lower than the actual price of the Securities at the time of their sale.

Borrowed funds

If the purchase of Securities is financed by borrowed funds and investors' expectations are not met, they not only suffer the loss incurred under the Securities, but in addition also have to pay interest on and repay the loan. This produces a substantial increase in investors' risk of loss. Investors of Securities should never rely on being able to redeem and pay interest on the loan through gains from a Securities transaction. Rather, before financing the purchase of a Security with borrowed funds, the investors' financial situation should be assessed, as to their ability to pay interest on or redeem the loan immediately, even if they incur losses instead of the expected gains.

Effect of hedging transactions on the Securities

In connection with the issuance of the Securities, the Issuer has entered into an arrangement with UBS AG, pursuant to which UBS AG will, amongst others, act as Hedging Counterparty to the Issuer in respect of the economic risk of the Securities. As such, UBS AG will conclude transactions that correspond to the Issuer's obligations arising from the Securities. Generally speaking, this type of transaction will be concluded before or on the Issue Date of the Securities, although these transactions can also be concluded after the Securities have been issued. UBS AG may take the necessary steps for the closing out of any hedging transactions. However, it cannot be excluded that the Price of the Underlying or, as the case may be, the Basket Components, might, in certain cases, be affected by these transactions. In the case of Securities whose value depends on the occurrence of a specific event in relation to the Underlying or, as the case may be, the Basket Components, entering into or closing out such hedging transactions may affect the likelihood of this event occurring or not occurring.

Taxation in relation to the Securities

Potential investors should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the Netherlands or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Securities. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Securities. Only these advisors are in a position to duly consider the specific situation of the potential investor.

Payments made in respect of the Securities may be subject to U.S. withholding tax under the U.S. Internal Revenue Code

Section 871(m) of the U.S. Internal Revenue Code requires withholding (up to 30%) on certain financial instruments (such as the Securities) to the extent that the payments or deemed payments on the financial instruments are contingent upon or determined by reference to U.S.-source dividends. Under U.S. Treasury Department regulations, certain payments or deemed payments to non-U.S. Securityholders with respect to certain equity-linked instruments that reference U.S. stocks or indices (except for "qualified indices" as defined in the U.S. Internal Revenue Code) that include U.S. equities may be treated as dividend equivalents that are subject to U.S. withholding tax at a rate of 30%. Under these regulations, withholding may be required even in the absence of any actual dividend-related payment or adjustment made pursuant to the Conditions of the Securities. In case of, for example (but not limited to), an Underlying or, as the case may be, a Basket Component, providing for dividends from sources within the United States, it is possible that these rules could apply to the Securities.

Section 871(m) of the U.S. Internal Revenue Code and the applicable regulations may apply to Securities that are purchased from BinckBank on or after 1 January 2017. If an amount in respect of such U.S. withholding tax were to be deducted or withheld from payments on the Securities, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding of such tax.

Securityholders should, consequently, be aware that payments under the Securities may under certain circumstances be subject to U.S. withholding tax and should consult with their tax advisors regarding the application of Section 871(m) of the U.S. Internal Revenue Code and the regulations thereunder in respect of their acquisition and ownership of the applicable Securities. As per 1 January 2017, the applicable Securities will only be available for purchase taking into account the above legislation. Any applicable Securities that were already available before 1 January 2017 will no longer be available for purchase per 1 January 2017, either because of closing the buy side of the applicable Security ("bid-only") or by removing the applicable Securities from the Securities listed on www.turbos.binck.com (if there is no position at all in the applicable Security). For the avoidance of doubt, Securities purchased before 1 January 2017 do not fall under the scope of Section 871(m) of the U.S. Internal Revenue Code. By way of illustration of the aforementioned, consider a "Security A" that is listed for purchase on 30 December 2016. The product features of Security A would bring it into scope of Section 871(m) of the U.S. Internal Revenue Code if it would have become available as per 1 January 2017. Because it was already listed for sale before such date, Security A does not fall within that scope. BinckBank will, as per 1 January 2017, make the Security A either bid-only, or remove Security A altogether, depending on whether any investor has a position in Security A. In 2017, BinckBank may or may not list for purchase a new Security with comparable product features as Security A, which security would then fall within the scope of Section 871(m) of the U.S. Internal Revenue Code.

Payments made in respect of the Securities may be subject to U.S. withholding tax under FATCA

Sections 1471 through 1474 of the U.S. Internal Revenue Code ("**FATCA**") impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" as defined by FATCA) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "U.S. account" of BinckBank (a "**Recalcitrant Holder**"). The new withholding regime is now in effect for payments from sources within the U.S. and will apply to foreign passthru payments (a term not yet defined) no earlier than the date on which the final regulations defining the term "foreign pass thru-payments" are filed with the federal register.

The United States and a number of other jurisdictions have negotiated intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released

by the United States, an FFI in an IGA signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and the Netherlands have entered into an agreement (the "**U.S.-Netherlands IGA**") based largely on the Model 1 IGA.

Based on the U.S. Netherlands IGA, it is expected that the Issuer will be a Reporting FI. If the Issuer is treated as a Reporting FI pursuant to the U.S.-Netherlands IGA, it does not anticipate that it will be obliged to deduct any FATCA withholding on payments it makes in respect of the Securities. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA withholding from payments it makes.

The obligations of the Issuer under the U.S.-Netherlands IGA include obtaining information from its holders of "financial accounts" (as defined by FATCA), which may include investors in the Securities. Certain investors that do not provide to the Issuer the information required under FATCA to establish that the investor is eligible to receive payments free of FATCA withholding may be subject to 30% U.S. withholding tax on certain payments it receives in respect of the Securities. If an amount in respect of such withholding tax under FATCA were to be deducted or withheld from payments on the Securities, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding of such tax.

The Issuer may disclose the FATCA information provided by an investor to the Dutch government or other parties as necessary to comply with FATCA.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their own tax advisor on how these rules may apply to the Issuer and to payments they may receive in connection with the Securities.

The proposed Financial Transactions Tax

On 14 February 2013, the European Commission has published a proposal (the Commission's Proposal) for a Directive for a common financial transaction tax ("**FTT**") in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**") and Estonia. However, Estonia has since stated that it will not participate.

The Commission's Proposal is very broad. Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside the participating Member States. Generally, it would apply to financial transactions where at least one party is a financial institution, and at least one person not being a financial institution is a party established in a participating Member State. A financial institution or a person which is not a financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the transaction is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Securities are strongly advised to seek their own professional advice in relation to the FTT.

Changes in Taxation in relation to the Securities

The considerations concerning the taxation of the Securities set forth in this Base Prospectus reflect the opinion of the Issuer on the basis of the legal situation identifiable as of the date hereof. However, a different tax treatment by the fiscal authorities and tax courts cannot be excluded. In addition, the tax considerations set forth in this Base Prospectus cannot be the sole basis for the assessment of an investment in the Securities from a tax point of view, as the individual circumstances of each investor also have to be taken into account. Therefore, the tax considerations set forth in this Base Prospectus are not to be deemed any form of definitive information or tax advice or any form of assurance or guarantee with respect to the occurrence of certain tax consequences. Potential investors are advised to ask for their own tax advisor's advice on their individual taxation before deciding whether to purchase the Securities.

The Issuer does not assume any responsibility vis-à-vis the Securityholders for the tax consequences of an investment in the Securities.

Potential conflicts of interest

BinckBank, UBS AG and their affiliates may participate in transactions related to the Securities in some way, for their own account or for account of a customer. Such transactions may not serve to benefit the Securityholders and may have a positive or negative effect on the value of the Underlying and/or Basket Components, and consequently on the value of the Securities.

Furthermore, the Issuer and its affiliates may issue other instruments relating to the Underlying and/or Basket Components; introduction of such competing products may affect the value of the Securities. The Issuer and its affiliates may receive non-public information relating to the Underlying and/or Basket Components, and neither the Issuer nor any of its affiliates undertakes to make this information available to Securityholders. Such activities could present conflicts of interest and may negatively affect the value of the Securities.

III. Underlying specific risks

The Securities issued under this Base Prospectus may be linked to a share, a non-equity security, a precious metal, a commodity, an index, a fund unit, a futures contract, a currency exchange rate, an interest rate or a reference rate. The Securities may relate to one or more of these Underlyings or a combination of them.

Some or all of the amounts payable on exercise, redemption or periodically under the Securities will be determined by reference to the price or value of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of the Basket Components. Accordingly, investing in the Securities also involves certain risks that are related to the Underlying and investors should review carefully the entire Base Prospectus and the applicable Final Terms in order to understand the effect on the Securities of such linkage to the Underlying.

The purchase of, or investment in, Securities linked to an Underlying involves substantial risks. These Securities are not conventional securities and carry various unique investment risks which potential investors should understand clearly before investing in the Securities. Potential investors in such Securities should be familiar with this type of securities and should fully review all documentation, read and understand the entire Base Prospectus and the applicable Final Terms and be aware of the nature and extent of the exposure to risk of loss.

1. General risks related to the Underlying or a Basket Component, as the case may be

Investors should be aware that some risks are related to the Underlying or, as the case may be, the Basket Components in general:

Risk of fluctuations in the value of the Underlying or the Basket Components, as the case may be

By investing in Securities linked to an Underlying, Securityholders are subject to the risks related to such Underlying. The performance of the Underlying or, as the case may be, the Basket Components is subject to fluctuations. Therefore, Securityholders cannot foresee what consideration they can expect to receive for the Securities on a certain day in the future. When the Securities are redeemed, exercised or otherwise disposed of on a certain day, substantial losses in value might occur in comparison to a disposal at a later or earlier point in time.

Uncertainty about future performance of the Underlying or the Basket Components, as the case may be

The value of the Underlying or, as the case may be, the Basket Components may vary over time and may increase or decrease by reference to a variety of factors e.g. corporate actions, macro-economic factors and speculation. Potential investors should note that an investment in Securities linked to an Underlying may be subject to similar risks as a direct investment in the Underlying or, as the case may be, the Basket Components.

It is not possible to reliably predict the future performance of the Underlying or, as the case may be, the Basket Components. Likewise, the historical data of the Underlying or, as the case may be, the Basket Components does not allow for any conclusions to be drawn about the future performance of the Underlying or, as the case may be, the Basket Components and the Securities. The Underlying or Basket Components may have only a short operating history or may have been in existence only for a short period of time and may deliver results over the longer term that may be lower than originally expected.

No warranties or representations regarding the future performance of the Underlying or the Basket Components, as the case may be

The Issuer does not give any explicit or tacit warranty or representation regarding the future performance of the Underlying or, as the case may be, the Basket Components. In addition, the issuer or the sponsor of the Underlying or, as the case may be, the Basket Component does not assume any obligation to consider the interests of the Issuer or the Securityholders for any reason whatsoever.

No rights of ownership in the Underlying or the Basket Components, as the case may be

Potential investors should be aware that the relevant Underlying or, as the case may be, the Basket Components will not be held by the Issuer for the benefit of the Securityholders, and that Securityholders will not obtain any rights of ownership (including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights) with respect to any Underlying or, as the case may be, Basket Component to which the Securities are related. Neither the Issuer nor any of its affiliates is under any obligation whatsoever to acquire or hold any Underlying or Basket Component.

Risks associated with the Underlying or a Basket Component, as the case may be, which are subject to emerging market jurisdictions

An Underlying or, as the case may be, a Basket Component may be subject to the jurisdiction of an emerging market. Investing in Securities with such an Underlying or, as the case may be, Basket Component involves additional legal, political (e.g. rapid political upheavals) or economical (e.g. economic crises) risks.

Countries that fall into this category are usually considered to be "emerging" because of their developments and reforms and their economy being in the process of changing from those of a moderately developed country to an industrial country. In emerging markets, expropriation, taxation equivalent to confiscation, political or social instability or diplomatic incidents may have a negative impact on an investment in the Securities. The amount of publicly available information with respect to the Underlying or any components thereof may be less than that normally made available to Securityholders. Transparency requirements, accounting, auditing and financial reporting standards as well as regulatory standards are in many ways less stringent than standards in industrial countries.

Although they generally record rising volumes, some emerging financial markets have much lower trading volumes than developed markets and the securities of many companies are less liquid and their prices are subject to stronger fluctuations than those of similar companies in developed markets.

Risks associated with a limited information base regarding the Underlying or the Basket Components, as the case may be, and a possible information advantage of the Issuer

Information regarding the Underlying or the Basket Components, as the case may be, may not be publicly available or only available to a certain extent. Therefore, investors may have no or only limited access to detailed information regarding the relevant Underlying or the Basket Components, as the case may be, in particular on its current price or value, on its past and future performance and on its volatility.

In contrast, the Issuer may have access to information which is not publicly available and may thereby generate an information advantage.

In addition, any publicly available information may be published with delay and may not have been published or published in full at the time the investors seeks the information or at the time the amounts payable on exercise, redemption or periodically under the Securities will be determined by reference to the price or value of the Underlying or the Basket Components, as the case may be.

Consequence of the linkage to a basket as the Underlying

In case of a basket used as the Underlying, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the level of the Redemption Amount depends on the performance of the Basket comprising the Basket Components.

As a result, fluctuations in the value of one Basket Component may be offset or intensified by fluctuations in the value of other Basket Components comprised in the Basket. Even in the case of a positive performance of one or more Basket Components comprised in the Basket, the performance of the Basket as a whole may be negative if the performance of the other Basket Components is negative to a greater extent.

Furthermore, also the degree of the Basket Components' dependency from each other, so-called correlation, is of importance when calculating the level of the Redemption Amount. If all of the Basket Components derive from the same economy sector or, as the case may be, the same country, the development of the Basket Components therefore depends on the development of a single economy sector or a single country. That implies that in the case of an unfavourable development of a single economy sector or a single country, which is represented by the Basket comprising the Basket Components, the Basket may be affected over proportionally by this unfavourable development.

In the case of an Underlying consisting of different shares (except those of the Issuer or of any of its affiliates), indices, currency exchange rates, precious metals, commodities, interest rates, non-equity securities, fund units, futures contracts or reference rates (each a "**Basket**"), the Issuer may have the right, in certain circumstances as specified in the Final Terms, to subsequently adjust the Basket (i.e. remove a component of the Basket without replacing it or replace the component of the Basket in whole or in part by another basket component and/or if necessary by adjusting the weighting of the Basket). The Securityholder may not assume that the composition of a Basket will remain constant during the life of the Securities.

Depending on the features of the relevant Securities, there can be a significant adverse effect on the calculation or specification of the redemption amount or interest amounts if the performance of one or more basket components, on which the calculation or specification of the redemption amount or interest amounts is based, has deteriorated significantly.

2. Specific risks related to the Underlying or a Basket Component, as the case may be

In addition, the following risks are specifically related to the Underlying or a Basket Component, as the case may be:

In case of a **share as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following **risks specifically related to shares as Underlying or a Basket Component**, as the case may be:

Specific risks related to the performance of shares

The performance of a share used as the Underlying or, as the case may be, a Basket Component, depends on the performance of the company issuing the shares. But even regardless of the financial position, cash flows, liquidity and results of operations of the company issuing the shares, the price of a share can be subject to fluctuations or adverse changes in value. In particular, the development of the share price can be influenced by the general economic situation and market sentiment.

Similar risks to a direct investment in shares

The market price of Securities with a share used as the Underlying or, as the case may be, a Basket Component, depends on the performance of the share. The performance of a share may be subject to factors like the dividend or distribution policy, financial prospects, market position, corporate actions, shareholder structure and risk situation of the company issuing the share, short selling activities and low market liquidity as well as to political influences. Accordingly, an investment in Securities with a share as Underlying or, as the case may be, a Basket Component, may bear similar risks to a direct investment in shares.

The performance of the share may be subject to factors outside the Issuer's sphere of influence, such as the risk of the relevant company becoming insolvent, insolvency proceedings being opened over the company's assets or similar proceedings under the laws applicable to the company being commenced or similar events taking place with regard to the company, which may result in a total loss for the Securityholder, or the risk that the share price is highly volatile. The share issuer's dividend or distribution policy, its financial prospects, market position, any capitalisation measures, shareholder structure and risk situation may also affect the share price.

In addition, the performance of the shares depends particularly on the development of the capital markets, which in turn is dependent on the global situation and the specific economic and political environment. Shares in companies with low or average market capitalisation may be subject to even higher risks (e.g. with regard to volatility or insolvency) than shares in larger companies. Furthermore, shares in companies with a low market capitalisation may be extremely illiquid due to smaller trading volumes. Shares in companies having their seat or exerting their relevant operations in countries with a high legal uncertainty are subject to additional risks, such as the risk of governmental measures being taken or nationalisation taking place. This may result in the partial or total loss of the share's value. The realisation of these risks may result in Securityholders relating to such shares losing all or parts of the capital invested.

Investors in the Securities have no shareholder rights

The Securities constitute no interest in a share as the Underlying or, as the case may be, a Basket Component, including, without limitation, any voting rights or rights to receive dividends, interest or other distributions, as applicable, or any other rights with respect to the share.

Currency risks

In case of investments of the company, the shares of which are used as the Underlying or, as the case may be, a Basket Component, being denominated in currencies other than the currency in which the share value is calculated, certain additional correlation risks may apply. These correlation risks depend on the degree of dependency of currency fluctuations of the relevant foreign currency to the currency in which the share value is calculated. Hedging transactions, if any, of the company may not exclude these risks.

No endorsement of the issuer

Securities with a share used as the Underlying or, as the case may be, a Basket Component, are not in any way sponsored, endorsed, sold or promoted by the issuer of the underlying share and such issuer makes no warranty or representation whatsoever, express or implied, as to the future performance of the share. Furthermore, the issuer of the share used as the Underlying or, as the case may be, a Basket Component, does not assume any obligations to take the interest of the Issuer of the Securities or those of the Securityholders into consideration for any reason. None of the issuers of the underlying shares are responsible for, and have participated in, the determination of the timing of, prices for or quantities of, the Securities.

In case of a **certificate representing shares as the Underlying or a Basket Component**, as the case may be, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following **risks specifically related to certificates representing shares as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in certificates representing shares and the Underlying Shares respectively

The level of the Redemption Amount is determined by reference to the price of the certificate representing shares used as the Underlying or, as the case may be, a Basket Component. A certificate representing shares represents shares of a stock corporation (each an "**Underlying Share**") and, as such, mirrors the performance of these Underlying Shares. Consequently, any investment in the Securities is, to a certain extent, subject to market risks similar to a direct investment in the certificate representing shares and the Underlying Shares respectively.

Potential investors should, as a result, also consider the **risks specifically related to shares as Underlying or a Basket Component**, as the case may be, related to the Underlying Shares when investing in the Securities.

In case of a **non-equity security as the Underlying or a Basket Component**, as the case may be, as specified in the applicable Product Terms in the definition of "Underlying",

potential investors should consider the following risks **specifically related to non-equity securities as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in non-equity securities

The market price of Securities with a non-equity security used as the Underlying or, as the case may be, a Basket Component, depends on the performance of the non-equity security. The level of the Redemption Amount is determined by reference to the price of the non-equity security used as the Underlying or, as the case may be, a Basket Component. Accordingly, an investment in the Securities with a non-equity security as Underlying or, as the case may be, a Basket Component, may bear similar risks to a direct investment in non-equity securities.

Market price developments

The market price development of Securities using non-equity securities as the Underlying or, as the case may be, a Basket Component, depends on the development of the non-equity securities which are subject to influences outside of the Issuer's sphere of influence, such as the risk that the issuer of the non-equity securities becoming over indebted or that the market price is subject to considerable fluctuations.

No endorsement of the issuer

Securities with non-equity securities used as the Underlying or, as the case may be, a Basket Component, are not in any way sponsored, endorsed, sold or promoted by the issuer of the underlying non-equity securities and such issuer makes no warranty or representation whatsoever, express or implied, as to the future performance of the non-equity securities. Furthermore, the issuer of the non-equity securities used as the Underlying or, as the case may be, a Basket Component, does not assume any obligations to take the interest of the Issuer of the Securities or those of the Securityholders into consideration for any reason. None of the issuers of the underlying non-equity securities are

responsible for, and have participated in, the determination of the timing of, prices for or quantities of, the Securities.

In case of a **precious metal or commodity as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to precious metals or commodities as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in the precious metals or commodities

An investment in Securities using precious metals or commodities as the Underlying or, as the case may be, a Basket Component may bear similar risks to a direct investment in the relevant underlying commodity(ies) or precious metal(s). Commodities (e.g. oil, gas, wheat, corn) and precious metals (e.g. gold, silver) are traded mainly on specialised exchanges or directly among market participants (over the counter). An investment in commodities and precious metals is associated with a greater risk than investments in e.g. bonds, currencies or stocks as prices in this asset category are subject to greater fluctuations (volatility) as trading in commodities and precious metals serves speculative reasons and may be less liquid than e.g. stock markets.

Dependence on the value of the precious metals or commodities

The following factors (which is a non-exhaustive list) may influence commodity and precious metal prices: supply and demand, speculations in the financial markets, production bottlenecks, delivery difficulties, few market participants, production in emerging markets (political disturbances, economic crises), political risks (war, terrorist actions), unfavourable weather conditions, natural disasters.

In cases of precious metals or commodities used as the Underlying, it should be noted that the values are traded 24 hours a day through the time zones of Australia, Asia, Europe and America. This may lead to a determination of different values of the relevant Underlying in different places. **Potential investors of the Securities should, therefore, be aware that a relevant limit, barrier or, as the case may be, threshold, if applicable, described in the Conditions of the Securities, may be reached, exceeded or fallen short at any time and even outside of local or the business hours of the Issuer or the Calculation Agent.**

Cartels and regulatory changes

A number of companies or countries producing commodities and precious metals have formed organisations or cartels to control the offer and thus influence prices. On the other hand, the commodities and precious metals trade is subject to regulatory supervision or market rules the application of which may also have negative impacts on the pricing of the commodities and precious metals concerned.

Limited liquidity

Many commodities and precious metals markets are not particularly liquid and may therefore not be able to react swiftly and in a sufficient manner to changes to the offer or demand side. In case of a low liquidity, speculative investments of individual market participants may result in distorted prices.

Political risks

Precious metals are often extracted in emerging markets and acquired by developed markets. The political and economic situation of emerging markets, however, is less stable than in the developed markets. They are more likely to face risks of political change or cyclical downturns. Political crises may unsettle the confidence of Securityholders which, in turn, may affect the prices of the goods. Acts of war or conflicts may change the offer and demand sides of specific precious metals. It is also possible that industrialised nations lay an embargo on the import or export of precious metals and services which may directly or indirectly affect the price of a precious metal used as the Underlying or, as the case may be, a Basket Component.

In case of an **index as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to indices as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in the index components

The market price of the Securities with an index used as the Underlying or, as the case may be, a Basket Component depends on the performance of the index. The performance of the index is subject to the performance of the components of the respective index. Accordingly, an investment in Securities with an index used as the Underlying or, as the case may be, Basket Component, may bear similar risks to a direct investment in the index components.

Dependence on the value of the index components

The value of the index will be calculated on the basis of the value of its components. Changes to the prices of the index components, the composition of the index as well as other factors which (may) affect the value of the index components, will also affect the value of the Securities which are linked to the relevant index and may thus affect the return on any investment in such Securities. Fluctuations in the value of an index component may be set-off or enhanced by fluctuations in the value of other index components. The historic performance of the index does not constitute a guarantee of its future performance. An index used as the Underlying or, as the case may be, a Basket Component, might not be available during the full term of the Securities, might be exchanged or continued to be calculated by the Issuer itself. In such or other cases as mentioned in the Conditions of the Securities, the Issuer is in accordance with the Conditions entitled to terminate the Securities.

It is possible that the index used as Underlying or, as the case may be, a Basket Component, only reflects the performance of assets in certain countries or certain industry sectors. In that case, the Securityholders are facing concentration risks. In case of unfavourable economic developments in a country or with regard to one industry sector such development may have negative impacts for the Securityholder. If several countries or sectors are represented in one index, it is possible that these are weighted in an uneven manner. This means that an unfavourable development in a country or one industry sector with high weighting in the index will affect the value of the index in an disproportionate negative manner.

Securityholders should be aware that selecting an index is not based on the expectations or evaluations of the Issuer or the Calculation Agent with regard to the future performance of the selected index. Securityholders should therefore assess the future performance of an index based on their own knowledge and the information available to them.

Influence of the index sponsor on the index

The index composition of the respective index as well as the method of calculating the index is determined by the index sponsor alone or in cooperation with other entities. The Issuer has no influence on the composition or method of calculating the index. An amendment of the index composition may have an adverse impact on its performance. If, after an amendment by the index sponsor, the index is no longer comparable to the original index, the Issuer has the right to adjust or terminate the Securities, if so specified in the Final Terms. Such an adjustment or termination may lead to losses for the Securityholders.

In accordance with the relevant index rules, the index sponsor may be entitled to make changes to the composition or calculation of the index, which may have a negative effect on the performance of the Securities, or to permanently discontinue the calculation and publication of the index used as the Underlying or, as the case may be, a Basket Component, without issuing a successor index.

Securities with an index as Underlying or, as the case may be, a Basket Component, are not in any way sponsored, endorsed, sold or promoted by the index sponsor, and such index sponsor makes no warranty or representation

whatsoever, express or implied, either as to the results to be obtained from the use of the index or the value at which the index stands at any particular time. Such an index is determined, composed and calculated by its respective index sponsor, without regard to the interest of the Issuer or the Securityholders. Such an index sponsor is not responsible or liable for the Securities to be issued, the administration, marketing or trading of the Securities.

Potential investors in the Securities should furthermore be aware that the Issuer is in case that the calculation and/or publication of the index used as the Underlying is permanently discontinued, pursuant to the Conditions of the Securities, entitled to terminate and redeem the Securities in total prior to the scheduled maturity of the Securities.

Adverse effect of fees on the index

An index used as the Underlying or, as the case may be, a Basket Component, may in accordance with its index rules include fees (e.g. calculation fees or fees related to changes in the composition of the index), which are taken into account when calculating the level of the index. As a result, any of these index fees reduce the level of the index and have an adverse effect on the index and on any amounts to be paid under the Securities.

Dividends are not taken into account / price index

If the index used as the Underlying or, as the case may be, a Basket Component, is calculated as a so-called price index, dividends or other distributions, if any, that are paid out from the index components are not taken into account when calculating the level of the index and may have a negative impact on the price of the index, because the index components will be traded at a discount after the pay-out of dividends or distributions. Thus, Securityholders do not participate in any dividends or other distributions paid out or made on components contained in the index.

Risks in relation to the comparison of the performance of a price index and a performance of a total return index

If, for the calculation or specification of amounts payable under the Securities, the performance of a price index is compared with the performance of a total return index, potential investors should note that if such indices are compared, the price index will in general bear a structural disadvantage since dividends or other distributions on the index components are not taken into account for the price indices.

The basis of calculating the price of the Underlying may change during the term of the Security

The basis of calculating the price of the index used as the Underlying or, as the case may be, a Basket Component, or of the index components may vary during the term of the Securities and may negatively affect the market value of the Securities.

Risk of country or sector related indices

If an index used as the Underlying or, as the case may be, a Basket Component, reflects the performance only of some countries or industries, this index is affected disproportionately negative in case of an unfavourable development in such a country or sector.

Currency exchange risk contained in the index

Index components may be listed in a different currency and therefore be exposed to different currency influences (this applies particularly for country or sector related indices). Also, it is possible that index components are converted first from one currency to the currency which is relevant for the calculation of the index only to then have to be converted again in order to calculate or specify an amount payable under the Securities. In such cases, Securityholders bear several currency risks, which may not be clearly recognisable for Securityholders.

Adverse effect of fees on the index level

If the index composition, specified in the relevant description of the index, changes, fees may arise, which reduce the level of the index used as the Underlying or, as the case may be, a Basket Component. This may have a negative effect on the performance of the index and on the amounts to be paid under the Securities. Indices which reflect

certain markets or industry sectors use certain financial securities, this may lead to higher fees and thus lower performance of the index than in case of a direct investment in these markets or industry sectors.

Publication of the index composition not constantly updated

Some index sponsors publish the composition of the relevant indices not completely or only after a time lag on a website or in other media specified in the Final Terms. In this case the composition shown might not always be the current composition of the respective index used for calculating the Securities. The delay may be substantial, may under certain circumstances last several months and the calculation of the Securities may be negatively affected.

In case of a **fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to fund units as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in fund units

The market price of Securities with fund units used as the Underlying or, as the case may be, a Basket Component, depends on the performance of the fund units. The level of the Redemption Amount, if any is determined by reference to the price of the fund units used as the Underlying or, as the case may be, a Basket Component. Accordingly, an investment in the Securities with fund units as Underlying or, as the case may be, a Basket Component, may bear similar risks to a direct investment in the fund units. **Potential investors should seek respective advice and familiarise themselves with the specific risk profile of the fund and the category of assets, in which the fund invests, and seek the advice of a professional, if necessary.**

Market risk

Given that reduced market prices or losses in value incurred by the securities or other investments held by the fund used as the Underlying or, as the case may be, a Basket Component, will be reflected in the price of individual fund units, there is a principal risk of a decrease in the unit prices. Even a broad variation and diversification of the fund's investments cannot avoid the risk that a decreasing overall development at certain markets or stock exchanges results in a decrease of share prices.

Illiquid investments

The fund may invest in assets that are illiquid or subject to a minimum holding period. It may therefore be difficult for the fund to sell these assets at a reasonable price or at all if it is forced to do so in order to generate liquidity. The fund may suffer considerable losses if it needs to sell illiquid assets in order to redeem units and selling the illiquid assets is only possible at a very low price. This may negatively affect the value of the fund and thus of the Securities.

Investments in illiquid assets may also result in difficulties when calculating the net asset value of the fund and thus delay distributions in connection with the Securities.

Delayed publication of the net asset value

It may be possible in certain situations that the publication of the net asset value by a fund is delayed. This may result in a delay of the redemption of the Securities and have a disadvantageous effect on the value of the Securities, for instance, in case of a negative market development. In addition, Securityholders face the risk that in case of a delayed redemption of the Securities they will be able to reinvest the relevant return only at a later point in time and possibly at less favourable terms.

Liquidation of a fund

It cannot be ruled out that a fund is liquidated during the term of the Securities. In such case, the Issuer shall be entitled to modify the relevant Conditions of the Securities accordingly. Such modifications may, in particular, consist

of one fund being replaced by another fund. In addition, there is also the possibility of a premature termination of the Securities by the Issuer.

Concentration risks

The fund used as the Underlying or, as the case may be, a Basket Component, may in accordance with its fund rules concentrate its assets with a focus on certain countries, regions or industry sectors. This can result in the fund being subject to a higher volatility compared to funds with a broader diversification as regards countries, regions or industry sectors. The value of investments in certain sectors, countries or regions may be subject to strong volatility within short periods of time. This also applies to funds focusing their investments on certain asset classes such as commodities. Funds investing their assets in less regulated, small and exotic markets, are subject to certain further risks. Such risks may include the risk of government interventions resulting in a total or partial loss of (i) assets or (ii) the ability to acquire or sell them at the fund's discretion. Such markets may not be regulated in a manner typically expected from more developed markets. If a fund concentrates its assets in emerging markets, this may involve a higher degree of risk as exchanges and markets in these emerging markets or certain Asian countries such as Indonesia may be subject to stronger volatility than exchanges and markets in more developed countries. Political changes, foreign currency exchange restrictions, foreign exchange controls, taxes, restrictions on foreign investments and repatriation of invested capital can have a negative impact on the investment result and therefore the value of the fund units.

Currency risks

In case of the investments of the fund used as the Underlying or, as the case may be, a Basket Component, being denominated in different currencies, or in case of the investments and the fund units being denominated in a currency other than the currency in which the net asset value is calculated, certain additional correlation risks may apply. These correlation risks depend on the degree of dependency of currency fluctuations of the relevant foreign currency to the currency in which the net asset value is calculated. Hedging transactions, if any, of the fund may not exclude these risks.

Markets with limited legal certainty

The fund used as the Underlying or, as the case may be, a Basket Component, may invest in markets with a low legal certainty and will then be subject to additional risks, such as the risk of reliable governmental measures, which may entail a loss in the fund's value.

Dependence on investment manager

The performance of the fund used as the Underlying or, as the case may be, a Basket Component, depends on the performance of the investments chosen by the investment manager in order to implement the applicable investment strategy. In practice, the fund's performance strongly depends on the expertise of the investment manager responsible for making the investment decisions. If such investment manager leaves the fund or is replaced, this may result in losses and/or a liquidation of the fund concerned.

The investment strategy, the investment restrictions and investment objectives of a fund may allow for considerable room for an investment manager's discretionary decision when investing the relevant assets and no warranty can be given that the investment manager's investment decisions will result in profits or that these constitute an effective hedging against market or other risks. No warranty can be given that the fund will be able to successfully implement its investment strategy as outlined in its documentation. It is therefore possible that, despite funds with a similar investment strategy experiencing a positive performance, the performance of the fund underlying the Securities (and thus the Securities) undergo a negative development.

Conflicts of interest

In the operation of the fund used as the Underlying or, as the case may be, a Basket Component, certain conflicts of interest may arise that can have negative impact on the fund's performance. For persons involved in the fund management or advisory activities in relation to the fund, conflicts of interest can arise from retrocessions or other

inducements. In addition, persons involved in the fund management or advisory activities to the fund or their employees may provide services such as management, trading or advisory services for third parties at the same time. Although they will usually aim to distribute the investment opportunities equally to their customers, the fund portfolio and portfolios of other customers may differ even if their investment objectives are similar. Any of these persons might be induced to allocate assets first to a portfolio involving the highest fees. Persons providing management, trading or advisory services to the fund may make recommendations or enter into transactions which are different to those of the fund or may even compete with the fund.

Fees on different levels

Fees charged by the fund used as the Underlying or, as the case may be, a Basket Component, may have a significant negative impact on the value of the fund units and the net asset value of the fund. Fees charged in relation to a fund can be incurred on different levels. Usually management fees are incurred at fund level. In addition, expenses and cost may be incurred when the services of third parties are commissioned in connection with the fund administration. With respect to investments made by the fund, such as investments in other funds or other collective investment vehicles, further charges might be incurred. This may have a negative impact on these investments and, consequently, in the fund's performance.

Performance fees may be agreed upon on the level of the fund. Such fee arrangements can create an inducement to invest assets in a more risk oriented or speculative manner than would be the case if no performance fee arrangement existed. Performance fees may even be incurred where the overall fund performance is negative. Consequently performance fees can be incurred on the level of the fund even if an investment in the Securities results in a loss to the investor.

Limited Supervision

Funds may not be regulated or may invest in investment vehicles that are not subject to supervision. If unregulated funds become subject to supervision, this may negatively impact the value of the fund, and, consequently, of the Securities.

No endorsement of the fund

Securities with a fund unit used as the Underlying or, as the case may be, a Basket Component, are not in any way sponsored, endorsed, sold or promoted by the fund and the fund makes no warranty or representation whatsoever, express or implied, as to the future performance of the fund unit. Furthermore, the fund does not assume any obligations to take the interest of the Issuer of the Securities or those of the Securityholders into consideration for any reason. No fund is responsible for, and has participated in, the determination of the timing of, prices for or quantities of, the Securities.

In case of **fund units in an exchange traded fund as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to fund units in an exchange traded fund as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in fund units

The market price of Securities with so-called exchange traded funds as the Underlying or, as the case may be, a Basket Component, depends on the performance of the fund units. The level of the Redemption Amount, if any is determined by reference to the price of the exchange traded funds used as the Underlying or, as the case may be, a Basket Component. Accordingly, an investment in the Securities with exchange traded funds as Underlying or, as the case may be, a Basket Component, may bear similar risks to a direct investment in the fund units. **Potential investors should seek respective advice and familiarise themselves with the specific risk profile of the fund and the category of assets, in which the fund invests, and seek the advice of a professional, if necessary.**

Concept of an Exchange Traded Fund; Listing

An exchange traded fund ("**ETF**" or the "**Fund**") is a fund managed by a domestic or non-domestic management company or, as the case may be, a fund in corporate fund, whose fund units ("**Fund Units**") are listed on a securities exchange. No assurance is given that such admission or listing will be maintained during the whole life of the Securities. In addition, a listing does not imply that the Fund Units are liquid at any time and, hence, may be sold via the securities exchange at any time, since trading in the securities exchange may be suspended in accordance with the relevant trading rules.

Pricing; Use of Estimates

The price of the ETF used as the Underlying or, as the case may be, a Basket Component, mainly depends in the price per unit of the ETF and, consequently, on the aggregate value of assets held by the ETF less any liabilities, so-called net asset value. Any negative performance or losses of the securities or other investments made by the Fund for the purposes of replicating the performance of a benchmark (cf. below "Replication of the performance of a benchmark") will result in a loss of the Fund and a decline in the value of the Fund Units. Even a broad spread of its investments and a strong diversification of the Fund's investments cannot exclude the risk that any negative development on certain markets or exchanges will lead to a decline in the price per unit of the ETF.

As ETFs generally calculate their net asset value on a daily basis only, the price of the ETF as continuously published by the securities exchange is usually based on the estimated net asset values. These estimates may differ from the final net asset value as subsequently published by the Fund. Therefore, the general risk during trading hours exists that the performance of the ETF and of its actual net asset value may deviate.

Replication of the performance of a benchmark; tracking error

ETFs are designed to replicate as closely as possible the performance of an index, basket or specific single assets (each a "**Benchmark**"). However, the ETF conditions can allow a Benchmark to be substituted. Therefore, an ETF might not always replicate the original Benchmark.

For the purpose of tracking a Benchmark, ETFs can use full replication and invest directly in all components comprised in the Benchmark, or other tracking techniques such as sampling. The value of the ETFs is therefore in particular based on the performance of the holdings used to replicate the Benchmark. It cannot be excluded that the performance of the ETF differs from the performance of the Benchmark (tracking error).

Unlike other collective investment schemes, ETFs are usually not actively managed by the management company of the ETF. In fact, investment decisions are determined by the relevant Benchmark and its components. In case that the underlying Benchmark shows a negative performance, ETFs are subject to an unlimited performance risk in particular when they are using full replication techniques. This can have a negative impact on the performance of the Securities.

Tracking a Benchmark typically entails further risks:

- An ETF using a full replication technique for tracking the performance of the Benchmark may not be able to acquire all components of that Benchmark or sell them at reasonable prices. This can affect the ETF's ability to replicate the Benchmark and may have a negative effect on the ETF's overall performance.
- ETFs replicating the Benchmark using sampling techniques (i.e. not using full replication and without using swaps) may create portfolios of assets which are not Benchmark components at all or do only comprise some components of the Benchmark. Therefore, the risk profile of such ETF is not necessarily consistent with the risk profile of the Benchmark.
- If ETFs use derivatives to replicate or to hedge its positions, this may result in losses which are significantly higher than any losses of the Benchmark (leverage effect).

Concentration risks

An ETF used as the Underlying or, as the case may be, a Basket Component, may in accordance with its fund rules concentrate its assets with a focus on certain countries, regions or industry sectors while replicating the Benchmark. This can result in the ETFs being subject to a higher volatility as compared to funds with a broader diversification as regards countries, regions or industry sectors. The value of investments in certain sectors, countries or regions may be subject to strong volatility within short periods of time. This also applies to ETFs focusing their investments on certain asset classes such as commodities. ETFs investing their assets in less regulated, small and exotic markets, are subject to certain further risks. Such risks may include the risk of government interventions resulting in a total or partial loss of assets or of the ability to acquire or sell them at the fund's discretion. Such markets may not be regulated in a manner typically expected from more developed markets. If an ETF concentrates its assets in emerging markets, this may involve a higher degree of risk as exchanges and markets in these emerging markets or certain Asian countries such as Indonesia may be subject to stronger volatility than exchanges and markets in more developed countries. Political changes, foreign currency exchange restrictions, foreign exchange controls, taxes, restrictions on foreign investments and repatriation of invested capital can have a negative impact on the investment result and therefore the value of the Fund Units in the ETF.

Currency risks

In case of the investments of the ETF fund used as the Underlying or, as the case may be, a Basket Component, being denominated in different currencies, or in case of the investments and the Fund Units being denominated in a currency other than the currency in which the net asset value is calculated, certain additional correlation risks may apply. These correlation risks depend on the degree of dependency of currency fluctuations of the relevant foreign currency to the currency in which the net asset value is calculated. Hedging transactions, if any, of the ETF may not exclude these risks. Furthermore, it should be noted that the Benchmark may not be denominated in the fund's base currency. If the Benchmark is converted into the ETF currency for determining fees and costs, currency exchange rate fluctuations may have a negative impact on the value of the Fund Units in the ETF.

Conflicts of interest

In the operation of the ETF certain conflicts of interest may arise that can have a negative impact on the ETF's performance. For persons involved in the fund management or advisory activities in relation to the ETF, conflicts of interest can arise from retrocessions or other inducements. In addition, persons involved in the fund management or advisory activities to the ETF or their employees may provide services such as management, trading or advisory services for third parties at the same time. Although they will usually aim to distribute the investment opportunities equally to their customers, the fund portfolio and portfolios of other customers may differ even if their investment objectives are similar. Any of these persons might be induced to allocate assets first to a portfolio involving the highest fees. Persons providing management, trading or advisory services to the ETF may make recommendations or enter into transactions which are different to those of the ETF or may even compete with the ETF.

Fees on different levels

Fees charged by the ETF may have a significant negative impact on the value of the Fund Units and the net asset value of the ETF. Fees charged in relation to an ETF can be incurred on different levels. Usually management fees are incurred at fund level. In addition, expenses and cost may be incurred when the services of third parties are commissioned in connection with the fund administration. With respect to investments made by the ETF, such as investments in other funds or other collective investment vehicles, further charges might be incurred. This may have a negative impact on these investments and, consequently, in the ETF's performance.

Performance fees may be agreed upon on the level of the ETF. Such fee arrangements can create an inducement to invest assets in a more risk oriented or speculative manner than would be the case if no performance fee arrangement existed. Performance fees may even be incurred where the ETF underperforms the Benchmark. Even if the ETF outperforms its Benchmark, performance fees might be triggered even though the overall fund performance

is negative (for example where the Benchmark's performance is negative). Consequently performance fees can be incurred on the level of the ETF even if an investment in the Securities results in a loss to the investor.

Limited Supervision

Funds may not be regulated or may invest in investment vehicles that are not subject to supervision. If unregulated funds become subject to supervision, this may negatively impact the value of the Fund, and, consequently, of the Securities.

No endorsement of the fund

Securities with a fund unit used as the Underlying or, as the case may be, a Basket Component, are not in any way sponsored, endorsed, sold or promoted by the fund and the fund makes no warranty or representation whatsoever, express or implied, as to the future performance of the fund unit. Furthermore, the fund does not assume any obligations to take the interest of the Issuer of the Securities or those of the Securityholders into consideration for any reason. No fund is responsible for, and has participated in, the determination of the timing of, prices for or quantities of, the Securities.

In case of a **futures contract as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to futures contracts as Underlying or a Basket Component**, as the case may be:

Similar risks to a direct investment in futures contracts

The market price of Securities with a futures contract used as the Underlying or, as the case may be, a Basket Component, depends on the performance of the futures contract. The level of the Redemption Amount, if any, is determined by reference to the price of the futures contract used as the Underlying or, as the case may be, a Basket Component. Accordingly, an investment in the Securities with a futures contract as Underlying or, as the case may be, a Basket Component, may bear similar risks to a direct investment in the futures contract.

Futures contracts are standardised transactions

Futures contracts used as the Underlying or, as the case may be, a Basket Component, are standardised transactions relating to financial instruments (e.g. shares, indices, interest rates, currencies) - so-called financial futures - or to commodities and precious metals (e.g. oil, wheat, sugar, gold, silver) - so-called commodities futures.

A futures contract represents a contractual obligation to buy or sell a fixed amount of the underlying commodities, precious metals or financial instruments on a fixed date at an agreed price. Futures contracts are traded on futures exchanges and are standardised with respect to contract amount, type, and quality of the underlying, as well as to delivery locations and dates (where applicable). Futures, however, are normally traded at a discount or premium to the spot prices of their underlying.

Securities with rolling futures contracts as Underlying

For the purpose of trading on an exchange, futures contracts are standardised with respect to their term (e.g. 3, 6, 9 months). Futures contracts used as the Underlying or, as the case may be, a Basket Component, may have an expiration date different from the term of the Securities. In such case, the Issuer will replace the underlying futures contract by a futures contract which - except for its expiration date, which will occur on a later date - has the same contract specifications as the initial underlying (the "**Roll-over**"). Such a Roll-over can be repeated several times.

Contango and backwardation

The prices of the longer-term and the shorter-term futures contract used as the Underlying or, as the case may be, a Basket Component, can differ even if all other contract specifications are the same. If the prices of longer-term futures contracts are higher than the price of the shorter-term futures contract to be exchanged (so-called

contango), the number of futures contracts held is reduced with the Roll-over. Conversely, if the prices of short-term futures are higher (so-called backwardation), the number of futures contracts held is increased with the Roll-over (without taking into account Roll-over expenses). In addition, expenses for the Roll-over itself are incurred. This may result in a negative effect for the value of the Securities and the redemption.

Replacement or termination

If it is impossible to replace an expiring futures contract with a futures contract with identical features (except for the term to maturity), the Final Terms may provide for replacement with another, potentially less advantageous, futures contract or termination by the Issuer. Therefore, Securityholders cannot rely on participating in the performance of the original futures contract throughout the entire term of the Security.

No parallel development of spot price and futures price

Futures prices can differ substantially from the spot price of the underlying financial instrument, commodity or precious metal. Moreover, the investor in Securities linked to the futures price of a certain underlying (e.g. financial instrument, commodity or precious metal) must be aware of the fact that the futures price and, accordingly, the value of the Securities does not always move in the same direction or at the same rate as the spot price of such underlying. Therefore, the value of the Securities can fall substantially even if the spot price of the relevant underlying of the futures contract remains stable or rises.

In case of an **interest rate and a reference rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to interest rates and reference rates as Underlying or a Basket Component**, as the case may be:

Interest rate risk

The market price of Securities with an interest rate or, as the case may be, reference rate used as the Underlying or, as the case may be, a Basket Component, depends on the performance of such rate. The level of the Redemption Amount, if any, is determined by reference to the price of the interest rate or, as the case may be, reference rate used as the Underlying or, as the case may be, a Basket Component. Accordingly, an investment in the Securities with a an interest rate or, as the case may be, reference rate as Underlying or, as the case may be, a Basket Component, may bear similar risks to a direct investment in the relevant interest rate or, as the case may be, reference rate.

Interest rates and reference rates used as the Underlying or, as the case may be, a Basket Component, are determined by offer and demand on the international money and capital markets, which in turn are influenced by economic factors, speculation and interventions by central banks and governments as well as other political factors. The interest rate level on the money and capital markets is often highly volatile.

In case of a **currency exchange rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

potential investors should consider the following risks **specifically related to currency exchange rates as Underlying or a Basket Component**, as the case may be:

Currency risk

Securities with currency exchange rates used as the Underlying or, as the case may be, a Basket Component, refer to a specific currency or specific currencies. Payments depend on the performance of the underlying currency(ies) and may be substantially less than the amount originally invested by the Securityholder. An investment in Securities linked to currency exchange rates as the Underlying or, as the case may be, a Basket Component, may bear similar market risks to a direct investment in the relevant underlying currency(ies). In particular, this will apply if the

relevant underlying currency is the currency of an emerging market jurisdiction. Therefore, potential investors should be familiar with foreign exchange rates as an asset class. Furthermore, legal restrictions on the free exchangeability may adversely affect the value of the Securities.

In cases of currency exchange rates used as the Underlying or, as the case may be, a Basket Component, it should be noted that the values are traded 24 hours a day through the time zones of Australia, Asia, Europe and America. **Potential investors of the Securities should, therefore, be aware that a relevant limit or, as the case may be, threshold, if applicable, described in the Conditions of the Securities, may be reached, exceeded or fallen short at any time and even outside of local or the business hours of the Issuer or the Calculation Agent.**

Risks at maturity linked to the redemption profile of the Securities

Turbo's Long

Turbo's Long allow investors to participate disproportionately (with leverage) in the positive development of the Underlying.

Conversely, investors in Turbo's Long also participate disproportionately (with leverage) in the negative development of the Underlying. Investors bear the risk of the Turbo's Long expiring (almost) worthless **if the price of the Underlying does at any time** (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes **reach or fall short of the Current Stop Loss Level, so-called Stop Loss Event**, all as specified in the applicable Product Terms. In this case, the Option Right expires and the Securityholder will receive payment of a redemption amount in the Redemption Currency which is determined by the Calculation Agent at its reasonable discretion, so-called Stop Loss Redemption Amount. Only if specified in the applicable Product Terms, the Securityholder will in such case receive a minimum re-payment of 0.001 in the Redemption Currency or such other amount as specified in the applicable Product Terms. Otherwise, the Stop Loss Redemption Amount can be € 0.00, but not less than € 0.00.

The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's Long remain unchanged, the value of the Turbo's Long.

During their term, the Turbo's Long do not generate any regular income (e.g. dividends or interest).

Turbo's Short

Turbo's Short allow investors to positively participate disproportionately (with leverage) in the negative development of the Underlying.

Conversely, investors in Turbo's Short also participate disproportionately (with leverage) in the positive development of the Underlying. Investors bear the risk of the Turbo's Short expiring (almost) worthless **if the price of the Underlying does at any time** (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes **reach or exceed the Current Stop Loss Level, so-called Stop Loss Event**, all as specified in the applicable Product Terms. In this case, the Option Right expires and the Securityholder will receive payment of a redemption amount in the Redemption Currency which is determined by the Calculation Agent at its reasonable discretion, so-called Stop Loss Redemption Amount. Only if specified in the applicable Product Terms, the Securityholder will in such case receive a minimum re-payment of 0.001 in the Redemption Currency or such other amount as specified in the applicable Product Terms. Otherwise, the Stop Loss Redemption Amount can be € 0.00, but not less than € 0.00.

During their term, the Turbo's Short do not generate any regular income (e.g. dividends or interest).

Turbo's XL Long

Turbo's XL Long allow investors to participate disproportionately (with leverage) in the positive development of the Underlying.

Conversely, investors in Turbo's XL Long also participate disproportionately (with leverage) in the negative development of the Underlying. Investors bear the risk of the Turbo's XL Long expiring worthless **if at any time the price of the Underlying reaches or falls short of the Current Knock Out Barrier, so-called Knock Out Event** either (i) during the Term of the Securities or any other predefined period specified for these purposes, or (ii) on the Valuation Date or any other predefined date specified for these purposes, all as specified in the applicable Product Terms. In this case, the Option Right lapses and each Turbo XL Long expires immediately worthless.

The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Long remain unchanged, the value of the Turbo's XL Long.

During their term, the Turbo's XL Long do not generate any regular income (e.g. dividends or interest).

Turbo's XL Short

Turbo's XL Short allow investors to positively participate disproportionately (with leverage) in the negative development of the Underlying.

Conversely, investors in Turbo's XL Short also participate disproportionately (with leverage) in the positive development of the Underlying. Investors bear the risk of the Turbo's XL Short expiring worthless **if the price of the Underlying does at any time** (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes **reach or exceed the Current Knock Out Barrier, so-called Knock Out Event**, all as specified in the applicable Product Terms. In this case, the Option Right lapses and each Turbo XL Short expires immediately worthless.

During their term, the Turbo's XL Short do not generate any regular income (e.g. dividends or interest).

3. IMPORTANT INFORMATION

1. Important notice

This Base Prospectus should be read and construed in conjunction with any supplement thereto and with any other documents incorporated by reference into this Base Prospectus and must be interpreted accordingly.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to this Base Prospectus or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Security shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with this Base Prospectus is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The contents of this Base Prospectus will be updated in accordance with the provisions of the DFSA, as amended from time to time, and the rules promulgated thereunder.

This Base Prospectus, any Final Terms, and any offering material relating to the Securities may only be distributed in the European Economic Area, and the offering, sale and delivery of the Securities is restricted to customers of BinckBank (i) who hold a brokerage account with BinckBank, and (ii) who are residents of a Relevant Member State. Nobody may use this Base Prospectus or any Final Terms for the purpose of an offer or solicitation in any jurisdiction outside the European Economic Area. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer to inform themselves about and to observe any such restrictions. For a description of restrictions on offers, sales and deliveries of Securities and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Securities, see "*Subscription and Sale*". Securities issued under this Base Prospectus have not been and will not be registered under the Securities Act. Securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act).

Neither this Base Prospectus nor any Final Terms constitute an offer or a solicitation of an offer to purchase any Securities and should not be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Securities.

2. Responsibility statement

BinckBank as Issuer accepts responsibility for the content of this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Where this Base Prospectus contains information that has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer is liable for the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, all required key information.

The Issuer accents that following the date of publication of this Base Prospectus, events and changes may occur, which render the information contained in this Base Prospectus incorrect or incomplete. Supplemental information will only be published as required by and in a manner stipulated in the DFSA, as amended from time to time, and the rules promulgated thereunder.

3. Incorporation by reference

The following documents shall be deemed to be incorporated into, and form part of, this Base Prospectus:

- (i) the Issuer's unaudited interim consolidated financial statements for the three-month period ended 31 March 2019, included in the Dutch language version of its first quarterly report 2019 ("**Interim Report 2019**") on pages 1, 4 - 7;
- (ii) the Issuer's audited consolidated and company financial statements for the financial year ended 31 December 2018 included in the Dutch language version of its annual report 2018 ("**Annual Report 2018**") on pages 95 - 212 as well as the independent auditor's report Deloitte Accountants B.V. included in the Annual Report 2018 on pages 213 to 217;
- (iii) the Issuer's audited consolidated and company financial statements for the financial year ended 31 December 2017 included in the Dutch language version of its annual report 2017 ("**Annual Report 2017**") on pages 88 - 195 as well as the independent auditor's report Deloitte Accountants B.V. included in the Annual Report 2017 on pages 196 to 200;
- (iv) the chapters titled "Conditions of the Securities" and "Form of Final Terms" on
 - a. pages 88 up to and including 197 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 7 June 2018 (the "**2018 Conditions & Final Terms**");
 - b. pages 80 up to and including 186 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 7 June 2017 (the "**2017 Conditions & Final Terms**");
 - c. pages 76 up to and including 181 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 10 June 2016 (the "**2016 Conditions & Final Terms**");
 - d. In "Conditions of the Securities", Subsection 1 (Structure and Language of the Conditions of the Securities), on page 76 of the 2016 Conditions & Final Terms, the following paragraphs shall be deemed to be incorporated in and form part of the above mentioned Section:

'To the extent applicable, the Issuer undertakes to comply with Book VI of the Belgian Code of Economic Law in respect of the Securities issued under the Base Prospectus and placed in the framework of a public offer in Belgium. For this purpose, a public offer has the meaning set forth in Article 3 of the Belgian Act of 16 June 2006 on the public offer of investment instruments and the admission to trading of investment instruments on a regulated market. In accordance with Articles VI.82 to VI.84 of the Belgian Code of Economic Law, except in the case of a force majeure event, the Issuer may not unilaterally modify the characteristics of a product if it concerns an essential feature of the product. The redemption features of the Securities provided by Section 6 are only possible upon a decision of the Issuer as a consequence of a force majeure event or with compensation.'
- (v) the Issuer's articles of association.

No other document or information, including the contents of BinckBank's website or of websites accessible from hyperlinks on BinckBank's website, forms part of, or is incorporated by reference into, this Base Prospectus.

4. Forward-looking statements

This Base Prospectus includes "forward-looking statements" which include all statements other than statements of historical facts. This Base Prospectus contains forward-looking statements in paragraph 2 ("*Risk Factors*") and paragraph 4 ("*Information about BinckBank*"), which are based on the Issuer's beliefs and projections and on information currently available to the Issuer. Forward-looking statements are typically identified by the use of forward-looking terminology such as "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could", "should", "estimates", "plans", "assumes" or similar expressions or the negative thereof.

Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Issuer's control that could cause the actual results, performance or achievements of the Issuer to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as at the date of this Base Prospectus. The Issuer expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based, except to the extent required by applicable law.

5. Role of UBS AG and UBS Switzerland AG

In connection with the issuance of the Securities, the Issuer has entered into an arrangement with UBS AG, pursuant to which UBS AG acting through its London branch will act as Calculation Agent, Market Maker and Hedging Counterparty to the Issuer in respect of the economic risk of the Securities, and may provide certain other services to the Issuer.

Furthermore, UBS Switzerland AG acts as Paying Agent, Settlement Bank and Safekeeping Bank.

As Market Maker, UBS AG intends, under normal market conditions, to provide bid and offer prices for the Securities on a regular basis on behalf of the Issuer. Although the Market Maker will provide such bid and offer prices for the Securities on behalf of the Issuer, such prices will be determined by the Market Maker in its sole discretion, independent from the Issuer.

Notwithstanding the contractual arrangements between the Issuer and UBS AG, the Securities are obligations of the Issuer only and are not in any way guaranteed or insured by UBS AG or any of its affiliates and holders of the Securities will have no rights or recourse against UBS or any of its affiliates. In the event that UBS defaults under or terminates the hedge agreement with respect to the Securities, the Issuer may (but is not obliged to) elect to call the Securities.

4. INFORMATION ABOUT BINCKBANK

1. Introduction

BinckBank N.V. (BinckBank) is an online bank for investors and savers. Our services are deployed from our head office in the Netherlands and our local branches in Belgium, France, and Italy, and representation in Spain. BinckBank offers services in investment, asset management and savings, and targets its services to retail customers, businesses/legal entities, and independent asset managers. An important feature of BinckBank's online services is a stable platform that gives users access to important financial markets, professional trading facilities, and analysis tools. BinckBank offers its customers a stable platform giving them access to all important financial markets in the world. This includes order execution at competitive rates, combined with facilities such as excellent customer service, a professional investment website with streaming quotes, news, depth of order book, research and tools for technical and other analysis. BinckBank provides its services under the Binck and Alex brands. The Binck brand name is used in the Netherlands, Belgium, France, Italy and Spain and the Alex brand name is used in the Netherlands and Spain.

Mission

BinckBank supports and assists consumers who are actively engaged with their financial future with the innovative products and services that give them convenience, simplicity, clarity, understanding, and accessibility at acceptable prices. BinckBank activates, facilitates, and teaches customers how to independently build up and maintain their own asset base.

Strategy

BinckBank pursues a dual strategy. On the one hand, this strategy is directed to furthering our current core activities like brokerage services (trading) and operational excellence in the trading and investment platform. On the other hand, it is designed to, with the help of our partners, create new value propositions for customers in Investing, Trading, and Saving. This strategy will, in part, enable us to expand our services into automated asset management and allow us to help our customers to grow their assets. At the core of this strategy is the customer experience and customer satisfaction that BinckBank's services deliver.

The BinckBank share is listed on Euronext Amsterdam and is listed on the Amsterdam Smallcap Index (AScX). BinckBank's market capitalisation at the end of 2018 was €411 million.

2. Incorporation

BinckBank N.V. is a public limited liability company (*naamloze vennootschap*). BinckBank was incorporated under Dutch law by a notarial deed dated 23 February 1981 and operates under Dutch law. The address of the registered office of BinckBank is Barbara Strozilaan 310, 1083 HN Amsterdam, the Netherlands. BinckBank is registered in the commercial register of the Chamber of Commerce and Industry in Amsterdam under the number 33162223. The telephone number of BinckBank is 020 522 03 30.

BinckBank operates under the commercial names Binck, BinckBank, BinckBank N.V., Binck Fundcoach, Binck Forward, Alex and Alex Vermogensbank.

3. Activities

3.1 The Netherlands

Organisation

BinckBank believes in customers' financial self-reliance. People should be able to control their own financial affairs. We believe each and every customer should have optimum control of and insight into the development, risk, and return of his or her capital. We aspire to serve a broader and growing group of private individuals within our European footprint, namely those customer groups that are looking for the best alternative to preserve or continue to accumulate assets for their financial future in a reliable, transparent, simple, and cost-effective manner, either independently or with our assistance. This ambition is focused on long-term value creation and is reflected in the ReThink Binck strategy launched in 2015. In order to carry out this strategy, BinckBank provides a diverse range of

financial products and services within a customer environment that is as digitally driven as possible. In the total range of products and services, BinckBank will assume the role of navigator and assist customers in making the choices that fit them best.

Our core value forms the basis for realising our strategic priorities and is entwined to achieve the goals we have set for our organisation. Our people strive to live according to the core value: empower and guide. We are convinced that, by living our core values, we create a culture that is not only beneficial for our employees and organisation, but also for supporting our clients in achieving financial independence, creating a solid return for our shareholders and strengthen our position in society. Our specialised staff is the core of BinckBank. As a customer-oriented and innovative company, we must be able to build on the quality of our employees and our people are essential for achieving BinckBank's organisational objectives. That is why we create a culture in which continuous improvement, flexibility and risk awareness are the norm. We always follow our standards of conduct and our principles.

Zelf Beleggen (personal investment)

Zelf Beleggen' is investing at competitive rates with a smart app and user-friendly platform. Customers invest themselves, but support is close at hand. Successful investing starts with smart and user-friendly platforms. BinckBank's award-winning website and app are secure. Invest on the main stock exchanges in eighteen countries. From shares, bonds, and investment funds to turbos and options. Tools and functionalities, like 'Marktverkenner' (Market Explorer) and our many other smart innovations, make life just that little bit easier. And if customers cannot find a solution, our Customer Service & Order Desk is ready to lend them a helping hand. In this way, customers are always in control of their investments.

Fonds Beleggen (fund investment)

With 'Fondsbeleggen', BinckBank gives customers the opportunity to perform their own transactions in investment funds. And with 'Binck Fundcoach', customers can easily build up their own assets – with investment funds and exchange-traded funds (ETFs). These instruments are particularly suitable for this purpose. Think of the relative simplicity, a wide choice, and excellent diversification. And good news: customers can invest monthly without any transaction costs! Is investing complicated? Not with All-in-1 Portfolios, a mix of shares, bonds, and property funds. With global coverage and carefully management. And all at low cost. Within 'Fondsbeleggen', BinckBank allows customers to choose to invest in and contribute towards a better future with a wide choice of green investment funds and ETFs. We work closely with VBDO (Association of Investors for Sustainable Development). They keep track of which funds are sustainable.

Laten Beleggen (invest for me)

'Laten Beleggen' means outsourcing your portfolio management to BinckBank. We then navigate the customer, to the most appropriate service, based on personal wishes, characteristics, investment goal, and expected risk and return. Under 'Laten Beleggen', we offer the following services: 'Binck Forward' for asset growth with the objectives specified by the customer; 'Binck Comfort' for both asset growth and preservation with more rigorous restrictions on investment risk; and 'Binck Select', with a focus on capital growth or preservation using an asymmetric investment model.

Binck Pensioenbeleggen (Binck Pension Investment)

'Binck Pensioen' is aimed at asset growth to supplement retirement benefits, taking specific tax regulations into consideration. Investments are made worldwide and optimally diversified in index funds. The fund mix depends on the period remaining until retirement date, personal circumstances, and the indicated risk appetite. BinckBank reduces the risk profile in the investments as pension date approaches.

Binck Sparen (Binck savings)

'Binck Sparen' is a simple online savings brokerage service for savings deposits with various financial institutions in trusted European countries. The choice between savings deposits in different European countries is intended to help savers earn more in today's low interest-rate climate, while avoiding the risks of investment.

Binck Select (formerly Alex Asset Management)

Assets under management are an important income pillar for BinckBank. Binck Select also had to deal with an outflow of customer funds in 2018. The assets under management for Binck Select fell in 2018 to € 0.7 billion. Although the Binck Select asset management product has improved considerably in recent years, it has still suffered reputational damage. The ongoing drain of managed assets from Binck Select remains the biggest challenge for meeting our strategic growth target for assets under management. During 2018, the influx of assets from the newly launched products (Binck Comfort, Binck Forward, Binck Pension) was substantial, but still not sufficient to fully offset the outflow of assets from Binck Select, so on balance there was a negative movement in the total assets under management. Putting a stop to the drain of assets from Binck Select will also have BinckBank's full attention in 2019.

Knowledge & Inspiration

To support customers in achieving their financial independence, BinckBank offers investor education facilities. The Binck Academy was launched to help investors achieve their financial ambitions and make sensible investment decisions. Because investing and asset accumulation can be very simple, but that does not mean that it is easy. This is done with webinars on wealth creation, trading and other financial subjects, tutorials on turbos, options or technical analysis, investment meetings, and the publication of articles and white papers on investing. We also regularly try to inspire customers with trading ideas, investment opportunities, trends, and the facts behind the news.

3.2 Belgium

In the last years BinckBank Belgium concentrated on further growth with a strong focus on customer service and expanding the product offering.

BinckBank has identified a growing demand for passive investing. After ten years of execution-only service via the platform, BinckBank Belgium launched discretionary asset management "Laten Beleggen" at the end of 2016. For that reason a new asset management product (Binck Laten Beleggen) was launched in Belgium at the end of 2016. In 2017 and 2018, BinckBank worked on boosting this new product for the Belgian market. On top of that, BinckBank Belgium added the Fund Finder to its website. This tool enables customers to obtain detailed information on investment funds. BinckBank Belgium is thereby endeavouring to further expand its position in the fund segment. In 2018 the assets under management grew further and Binck Belgium now offers more than 500 investment funds.

Following the example of the Netherlands and Italy, BinckBank Belgium rolled out the new mobile app for iOS and Android in November 2015 and further on in 2016. Investors can use this app to invest at any time and any place in shares, options, turbos and futures. At the end of 2018, almost 25% of our trading volume passed via the new mobile apps. The Binck turbo was successfully added to the product offering at the end of 2016 and to further expand the investment possibilities available to customers.

Education is an important component for BinckBank. The BinckBank Academy highlighted this objective through an extensive and updated offering of live webinars and other initiatives. BinckBank Belgium also obtains information and conducts enquiries among all customers using updated online questionnaires to determine the suitability of a product.

3.3 France

The French market remained particularly competitive in 2018, so BinckBank France kept carving out a distinctive position by not only offering competitive rates but also by providing financial services that offer added value to the customer amongst which the launch of an innovative and competitive Assurance Vie Product alongside with the well known insurer Generali. The use of external partners to provide additional functionality for our customers fits in with the 'navigator' role described in our strategy. Improving customer satisfaction remained also a focal point in 2018 with reaching the highest satisfaction score for customers and employees since Binck France is live. Our efforts were again rewarded with the naming of the "Customer Service of the year 2019" by Study BVA Group – Viséo CI in the Online Brokerage Category and the winning of the Best Trading Platform award of Investment Trends 2018 as well as the Label Excellence award over 2018 by Les Dossiers de L'Épargne.

In 2018 BinckBank France has increased its pedagogical presence with the Binck TV devoted to market analysis and educational training, live and replay.

3.4 Italy

In terms of transaction volume, revenue and net result before recharge, BinckBank Italy had a very successful year (2018). The total transactions grew as well as the assets under administration. BinckBank Italy has an active, high-quality customer base. Customers conducted a total of more 750,000 transactions in 2018.

Marketing activity was fully focused on the initiative called Binck Movies & Finance that is a program of webinar, events and Movie Festival about famous movies related to the stock exchanges. The program aims to teach and to coach clients on financial markets using famous movies on finance, and to attract new customers with a very attractive topic. The initiative is in cooperation with issuers of turbos and ETF, so it is fully financed by them. BinckBank will only gain the visibility with no cost than the effort to organize it.

4. Trend information and recent events

Scope of supervision

With the introduction of the obligations under CRD IV, the prudential consolidation base has been reviewed in consultation with De Nederlandsche Bank. The prudential consolidation base includes only all the institutions (credit institutions and investment firms) and financial institutions that belong to the group. In the reassessment of the prudential consolidation base, BinckBank has concluded that its former subsidiary Able Holding B.V. does not belong to the prudential consolidation base, and therefore should be included as a non-banking subsidiary for the purpose of the solvency regulations. This has led to an adjustment to the capital requirement, especially with respect to operational risk. The full application of the CRD IV requirements has led to a limited adjustment to the capital requirement for a number of items.

Capital ratio

The capital ratio at the end of the fourth quarter of 2018 was 31.8% (FY17: 30.8%). At the end of Q1 2019, the capital ratio amounted to 34.33%.

Focus on core activities

BinckBank has already stated that it will continue to concentrate on its core activities. Over the past years, it has initiated a process aimed at focusing on the retail business and the distribution role that BinckBank plays in it. In this context BinckBank began phasing out its services for business process outsourcing (BPO) customers.

By the end of 2017, agreements were reached with all four BPO customers on the downscaling services and services were then discontinued completely in 2018, enabling the BPO activities to be phased out. In October 2016, the shareholders of TOM Holding N.V. announced that they were seeking a buyer for the trading platform. After discussions at the end of 2016 and the beginning of 2017 failed to produce a sale, the TOM service was wound down in 2017 and the business activities were discontinued. TOM Holding N.V. was liquidated in 2018.

On 19 January 2018, BinckBank announced the intention to sell its 60% holding in Think ETF Asset Management B.V. (Think) to Van Eck Associates Corporation. The sale was finalised at the end of the second quarter of 2018. After the sale of Think ETF Asset Management B.V., BinckBank now focuses on the relaunch of its retail activities.

Saxo Bank's offer

On 17 December 2018, BinckBank and Saxo Bank announced that they had reached conditional agreement on a recommended all-cash public offer by Saxo Bank for BinckBank's entire issued and outstanding share capital (the Shares) of € 6.35 per share in cash (cum dividend) (the Offer Price). The Offer Price values 100% of BinckBank's Shares at € 424 million. On 16 May 2019, Saxo Bank announced that it extends the offer period because the process to obtain the regulatory clearances is not yet completed. The extended offer period will end on 31 July 2019. It is expected that the offer will be completed in the first half of Q3 of 2019.

Strategic rationale

The online trading and brokerage sector is currently facing multiple challenges including challenging competition, increased regulation, low interest rates, considerable technology investment requirements and changing customer behaviour. Such dynamics require proactive and decisive strategic actions. Scale, diversification, state of the art technology, relentless customer focus and multi-asset capabilities are becoming ever more important to deliver customer and shareholder value. Both parties believe that the combination of BinckBank and Saxo Bank represents a powerful response to market dynamics and has a number of strategic benefits including:

- Strong cultural fit with a shared vision of democratising trading and investment and a philosophy centered around
- customer service, transparency, simplicity and innovation;
- Excellent complementarity in geographic footprint, product offerings and customer base, covering the full retail
- customer spectrum from mass retail to high-end;
- Combination of Saxo Bank's industry leading technology platform and product suite with BinckBank's large customer
- base and strong distribution capabilities;

- More balanced revenue mix for the combined company balancing net interest income, fee & commission income and spread income;
- Enhanced economies of scale at a time of rising technology investment requirements and regulatory costs;
- Enhanced career opportunities for employees in a larger, more modern and digitally oriented, international financial services group.

Saxo Bank profile

Saxo Bank is a leading Fintech specialist focused on multi-asset trading and investment and delivering 'Banking-as-a-Service' to wholesale clients. For more than 25 years, Saxo Bank's mission has been to democratize investment and trading, enabling clients by facilitating their seamless access to global capital markets through technology and expertise. As a fully licensed and regulated bank, Saxo Bank enables its direct clients to trade multiple asset classes across global financial markets from one single margin account and across multiple devices. Additionally, Saxo Bank provides wholesale institutional clients such as banks and brokers with multi-asset execution, prime brokerage services and trading technology, supporting the full value chain of wholesale partners by delivering Banking-as-a-Service (BaaS). Saxo Bank's award winning trading platforms are available in more than 20 languages and form the technology backbone of more than 100 financial institutions worldwide. Founded in 1992 and launching its first online trading platform in 1998, Saxo Bank was a Fintech even before the term was created. Headquartered in Copenhagen Saxo Bank today employs more than 1500 people in financial centers around the world including London, Paris, Zurich, Dubai, Singapore, Shanghai, Hong Kong and Tokyo.

Dutch residential mortgage loans

BinckBank began investing in the financing of Dutch residential mortgages in 2016 by purchasing a portfolio of mortgages receivables of Obvion and directly investing in new mortgage origination by acting as the financier in a collective structure in which Dynamic Credit, a service provider licensed by the AFM, is responsible for the marketing, sales, administration and management. BinckBank defines its risk appetite within the investment mandate by designating one or more credit risk buckets and interest rate revision periods. When viewed from a risk management perspective, the credit risk and outsourcing risk are of particular importance. Appropriate management of the operational risks, including the outsourcing risks, is provided for in the form of agreements laid down in a service level agreement. These agreements relate primarily to various elements of the mortgage loan process, the management and administration of mortgages loaned and the submission of data. BinckBank reviews compliance with the service level agreement once a month. Loan approval and management has been outsourced to Dynamic Credit and is monitored on the basis of the comprehensive data on the mortgage portfolio issued in accordance with the requisite prevailing statutory requirements. The information received is employed for purposes including the recognition of any arrears, where relevant. BinckBank carries out periodic assessments of the mortgage production within the limits it has set. BinckBank is in a position to issue a stop notice to terminate the production on its behalf. The collateral for the loans is comprised of Dutch residential property. The collateral is comprised of a combination of Dutch homes with and without a National Mortgage Guarantee (NHG). As of September 2018 a production stop notice has been issued. All buckets are closed until further notice.

BinckBank changed the balance sheet composition starting from 2016, by investing in a residential mortgage portfolio which stood at € 805 million as at 31 December 2018. The agreements reached in this instance relate primarily to the management and administration of mortgages and the submission of data. Appropriate management of the operational risks, including the outsourcing risks, is provided for in the form of agreements laid down in a service level agreement. The management of the credit risks is monitored on the basis of the comprehensive data on the mortgage portfolio issued in accordance with the requisite prevailing statutory requirements. The information received is employed for purposes including the recognition of any arrears, where relevant. The Obvion portfolio is very comparable to typical Dutch Mortgage portfolio's in terms of redemption profiles, geographical spread and loan size. The average LTV (indexed) is 65%. By growing the residential mortgage portfolio BinckBank has largely succeeded in restoring the revenues on the asset side of the balance sheet. Net interest income rose by 7% in the year under review, which can be attributed mainly to the mortgage portfolio and was achieved despite the general downward trend in interest rates on the money and capital markets. The portfolio comprises variable interest terms and fixed interest terms for periods between one month and thirty years. The interest rates for the mortgage portfolio range from 1.9% to 5.6%.

A significant part (38%) of the mortgage portfolio falls under the National Mortgage Guarantee Scheme (NHG). This guarantee is issued by the Homeownership Guarantee Fund (WEW) that is in turn supported by the Dutch

Government in the event of illiquidity. As a result, in the risk context the NHG is a government guarantee. This guarantee serves as a safety net in situations in which the borrower is unable to meet the conditions attached to the loan, whereby any residual debt, where relevant, after the sale of the collateral will in part be covered by the Fund. At 31 December 2018, the part of the mortgage portfolio falling under the NHG totalled €296 million.

BinckBank classifies Dutch residential mortgage loans as an attractive investment due to its attribution to a more stable interest margin and limited default risk as a result of the conservative underwriting criteria used (determined in accordance with the criteria set out in the Dutch behavioural code for mortgage financing (*gedragcode hypotheaire financieringen*)) and the historical default rates of Dutch residential mortgages which have remained relatively low.

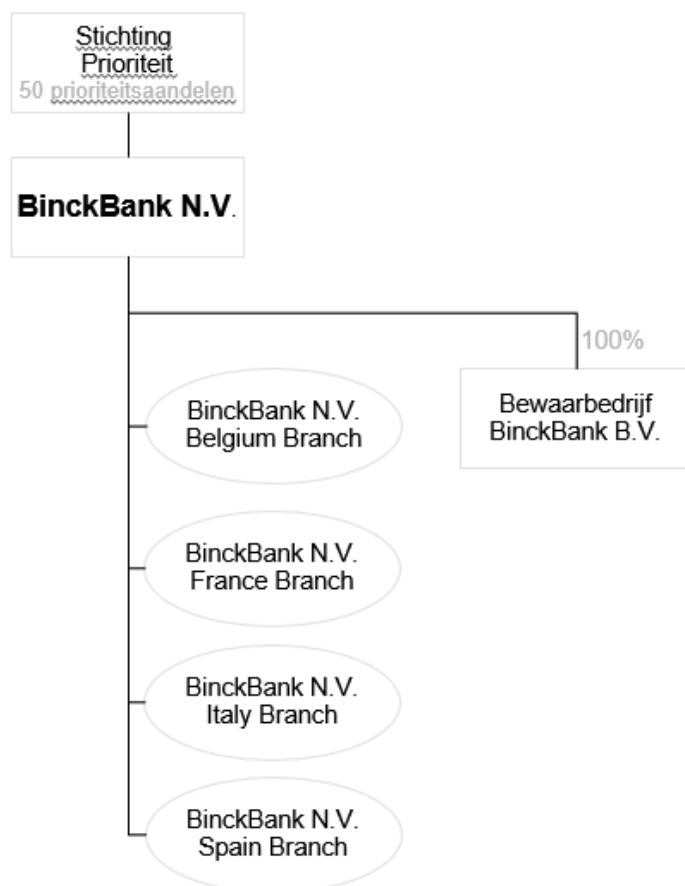
Risks and uncertainties

The distribution of capital to shareholders, in addition to the payment of dividend, has a dependency on both the rate as well as the extent to which BinckBank successfully manages the execution of its growth strategy and the investments that go along. Decisions for any capital distribution to shareholders in the future will be taken according to a prudent policy that takes the capital needed for the realization of the mentioned growth strategy of the company into account and structurally reassesses the adequacy of its capital and liquidity position and the business outlook. For a detailed account of our risk and capital management, see the BinckBank annual report for 2018 published on 11 March 2019.

5. Legal structure of the BinckBank group

BinckBank is a public limited company listed on Euronext Amsterdam. BinckBank adopted a two-tier board structure in 2012. BinckBank has a number of Dutch subsidiaries and associates. BinckBank has branches in Belgium, France, Italy and Spain. BinckBank is regulated by both DNB and the AFM. The foreign branch offices are subject to supervision by the local regulators.

The following chart sets out the legal structure of the BinckBank group as at the date of this Base Prospectus.



6. Major shareholders

The following table sets out the name of each person who, as at 7 June 2019 and as far as BinckBank is aware on the basis of the public AFM substantial holdings register, has a direct or indirect interest in BinckBank's share capital or voting rights of at least 3%.

Name	% of share capital	% of voting rights	Type of interest
Boron Investments N.V.	5.38	5.38	Direct
Navitas B.V.	5.17	5.17	Direct
Stichting FB Oranjewoud	4.99	4.99	Indirect
NN Group N.V.	4.99	4.99	Indirect
J. Kluit	4.99	4.99	Indirect
Aquiline Capital Partners GP LLC	4.73	4.73	Indirect
Magnetar Financial LLC	3.25	3.25	Direct
Dimensional Fund Advisors LP	3.17	3.00	Indirect

7. Executive Board

Members

The Executive Board of BinckBank currently has three members. The business address of all members of the Executive Board is Barbara Strozilaan 310, 1083 HN Amsterdam, the Netherlands.

Vincent Germyns, executive director and CEO
(1973 – Belgian nationality)

Vincent has been a member of the board of BinckBank since 22 April 2014. Vincent was reappointed by the supervisory board during the general meeting of 24 April 2018. The supervisory board officially appointed him as chairman of the executive board of BinckBank on 11 June 2015. In his role as chairman of the executive board Vincent concentrates first and foremost on the pursuit of the strategy and growth in turnover. During his career at BinckBank Vincent has headed BinckBank's international expansion. He was responsible for the start-up of the Belgian branch and for the management of all branches abroad. Vincent's education included studies at the Royal Military Academy (Brussels - Belgium) and the KU Leuven (Belgium). Earlier on in his career he worked at KBC Asset Management in Belgium.

Evert-Jan M. Kooistra, executive director and CFRO
(1968 – Dutch nationality)

Evert-Jan has been a member of the board of BinckBank and chief financial and risk officer (CFRO) since 2008. Evert-Jan was reappointed as a director under the articles of association by the supervisory board of BinckBank during the general meeting of 25 April 2016. He is responsible for finance & control, operations, governance, risk, compliance and treasury & ALM. Evert-Jan studied Business Economics at the Erasmus University in Rotterdam and is a chartered accountant. He has a twenty-four year track record in the financial sector, at companies including PriceWaterhouseCoopers and Shell. His most recent position was as financial director of the American International Game Technology.

Steven Clausing, Board member, Chief Operating Officer)
(1971 – Dutch nationality)

Steven has been a member of the board of BinckBank and chief operating officer (COO) since 30 October 2015. Steven was reappointed by the supervisory board during the general meeting of 23 April 2019. Steven is a Technical Business Engineer (TU Eindhoven) and also holds a Masters in Finance (TIAS business school, Tilburg) and an Executive Master's in Internal Auditing (Erasmus University, Rotterdam). Steven began his education and career in the Royal Dutch Navy and was primarily involved in the improving operations. He joined ABN AMRO Bank in 1998, where he held both commercial and internally focussed positions. In 2008 he took up a position at RBS, where he moved in 2011 from the position of head of Internal Audit of the business unit 'international payments' to Risk Management. In that post he focused chiefly on the assessment of worldwide transition management. He joined BinckBank as head of Risk Management in March 2013. In that position he played a prominent role in various sub-committees of the executive board and the supervisory board. In his role as COO, Steven has product development, user experience, data & analytics, investment management and ICT as primary focus areas.

Conflicts of interest

Except as disclosed in "*Shareholdings of the Executive Board*" below, no member of the executive board of BinckBank has a conflict of interest (actual or potential) between any duties to BinckBank and his private interests and/or other duties.

Shareholdings of the Executive Board

As at the date of this Base Prospectus, Mr Germyns holds 77,653 shares in BinckBank, Mr. Kooistra holds 107,238 shares in BinckBank and Mr Clausing holds 17,198 shares in BinckBank.

8. Supervisory Board

Members

Currently, the composition of the supervisory board is as follows:

- J.W.T. van der Steen (Chairman)
- J.M.A. Kemna
- A. Soederhuizen
- M. Pijnenborg

The business address of all members of the Supervisory Board is Barbara Strozilaan 310, 1083 HN Amsterdam, the Netherlands.

John van der Steen

(1954 – Dutch nationality)

Mr J.W.T. van der Steen was appointed as a member of the Supervisory Board at the annual general meeting on 24 April 2018 for a term of four years. Mr Van der Steen is Chairman of the Supervisory Board and member of the remuneration committee and audit committee. Until 2010 he was also a supervisory director of Aon Switzerland (as chairman), Germany, Norway and Belgium. Mr Van der Steen is connected to RAI Holding B.V. as a member and deputy chairman of the Supervisory Board and as chairman of the Audit Committee. At the beginning of 2015, Mr Van der Steen was appointed as chairman of the Supervisory Board of Princess Sportsgear & Traveller B.V. At the end of 2016 he was appointed executive director of Stadhouders Insurances Luxembourg S.A.

Hanny Kemna

(1960 - Dutch nationality)

Ms J.M.A. Kemna was reappointed as a member of the Supervisory Board at the annual general meeting on 24 April 2018 for a term of four years. Ms Kemna is chairwoman of the remuneration committee and a member of the risk and product development committee. Ms Kemna is affiliated with cooperative Menzis N.V. as vice chairman of the Supervisory Board and chairwoman of the Governance, Risk and Compliance committee. Since 1 January 2016, she has served as a Supervisory Board member of pension administrator MN Services N.V. Furthermore she is a member of the Supervisory Board of SVn and external member of the audit committees of the Ministry of Security & Justice and the Ministry of Finance.

Arjen Soederhuizen

(1965 - Dutch nationality)

Mr A. Soederhuizen was appointed as a member of the Supervisory Board at the extraordinary general meeting on 30 October 2015 for a term of four years. Mr Soederhuizen is chairman of the risk and product development committee and a member of the audit committee. From 1991 to 2008, Mr Soederhuizen was employed at ABN AMRO Bank, the last four years of which as Chairman of the Board of ABN AMRO Asset Management Nederland B.V. From 2009 to 2016, Mr Soederhuizen worked as an interim manager at various clients, including PGGM Vermogensbeheer and ABN AMRO Pensioenfond. Since July 2016, Mr Soederhuizen has been a member of the Advisory Board of Amundi Asset Management Netherlands and since April 2018 he has been appointed as member of the board of the Pensioenfond voor de Architectenbureaus.

Marijn Pijnenborg

(1970 - Dutch nationality)

Ms M. Pijnenborg was appointed as a member of the Supervisory Board at annual general meeting on 24 April 2017 for a period of four years. Ms Pijnenborg is a member of the remuneration committee and the risk and product committee. Ms Pijnenborg is an entrepreneur and investor specialising in online services. She was associated with iens.nl as a member of the Supervisory Board, where she supervised the merger between IENS and Seatme. Ms Pijnenborg is also an investor and founder of Boralis B.V. and (co-) founder of the renowned portals auto.nl and Funda. Ms Pijnenborg carries out activities for MK24, as a board member. MK24 provides arts education in Amsterdam in the field of visual arts and multimedia by offering education and courses.

Jeroen Princen

(1965 – Dutch nationality)

Mr J.G. Princen was appointed as a Supervisory Director at the extraordinary general meeting on 30 August 2018 for a term of four years. Mr Princen is lawyer and partner at DVDW in Rotterdam and the Hague. In the period 1995 until 2007 he was a partner at the lawyer firm Ploum Lodder Princen in Rotterdam and was during approximately 10 years member of the firm's board. Mr Princen also develops activities as supervisor in the art and cultural sector. Mr Princen is member of the Board of the Boijmans van Beuningen Foundation, member of the Supervisory Board and Audit Committee of Witte de With Institute for Contemporary Art and member of the Supervisory Board and Audit Committee of Stedelijk Museum in Schiedam.

With effect of the date of settlement of the offer of Saxo Bank Mr. Kyhl, Mr Blaafalk and Mr. Rejsbøl are appointed as member of the supervisory board.

Mr. S. Kyhl is Deputy CEO (since November 2018) and Chief Operating Officer (since January 2016) and member of the board of management of Saxo Bank A/S. Mr. Kyhl is responsible for daily operations and execution including overseeing the bank's digital value chain and digital client experience, platforms, marketing and data science. Mr. Kyhl has significant experience in both finance and technology and served at several senior executive positions at Danske Bank. Mr. Kyhl holds a PhD in economics from the University of Copenhagen and received executive education from INSEAD and Harvard Business School.

Mr. S. Blaafalk is member of the board of management of Saxo Bank A/S as Chief Financial & Risk Officer (CFRO) since April 2014. He is the global head of finance and risk operations, and as such, is responsible for all legal, compliance, finance, risk management, and client and business intelligence within Saxo Bank. Mr. Blaafalk has a long career within the financial sector and held several senior executive position at Danske Bank before joining Saxo Bank. Mr. Blaafalk holds an MSc in economics and EMBA, from the University of Copenhagen and SIMI respectively.

Mr. Rejsbøl is managing director of Banque Carnegie Luxembourg S.A. since November 2011. He is responsible for general management and directly responsible for Treasury, Asset Management and Private Banking activities. Mr. Rejsbøl has significant experience in banking, economics and management and served at several senior executive positions at Banque Carnegie Luxembourg S.A. and BankInvest. Mr. Rejsbøl holds a M.Sc. in finance and economics from the Copenhagen Business School.

Conflicts of interest

No member of the supervisory board of BinckBank has a conflict of interest (actual or potential) between any duties to BinckBank and his private interests and/or other duties.

Shareholdings of the Supervisory Board

None of the members of the Supervisory Board hold shares in BinckBank at the date of this Base Prospectus.

9. Legal and arbitration proceedings

Other than disclosed below, to the best knowledge of the Issuer and its subsidiaries there are not and have not been any governmental, legal or arbitration proceedings, nor is the Issuer or its subsidiaries aware of such proceedings threatening or pending, which may have or have had in the 12 months before the date of this Base Prospectus significant effects on the financial position or profitability of the Issuer and/or its subsidiaries.

BinckBank is involved in various legal proceedings. Although it is not possible to predict the outcome of current or impending lawsuits, the executive board believes – on the basis of information currently available and after taking legal counsel – that the outcomes are unlikely to have material adverse effects on BinckBank's financial position or results, with the exception of the cases reported below.

Alex Asset Management

The disappointing results over 2014 lead to a number of clients of Alex Asset Management filing complaints with the Financial Services Complaints Tribunal (Kifid). Some of these clients were represented by Vermogensmonitor, while also the Dutch Investors Association VEB reached out to BinckBank with critical questions. The complaints pertained to inter alia the information included in promotional materials distributed between 8 September 2012 through 26 August 2014 and more specifically the information provided in the product documentation on the risks which materialized due to the unusual market conditions of 2014. In January 2017, BinckBank reached a settlement with Vermogensmonitor and VEB for the benefit of certain Alex Asset Management clients who had filed a complaint and who met certain criteria. The settlement was communicated to the market on 20 January 2017. Under the settlement, BinckBank agreed to pay a lump-sum contribution to allow Vermogensmonitor and VEB to offer a compensation to individual Alex Asset Management clients, who had filed a complaint and met the agreed criteria. No acknowledgement of liability was agreed or implied. All complaints of the customers of Vermogensmonitor and members of the VEB have been completely resolved.

Legal proceedings concerning Fibonacci

In January 2015 BinckBank blocked the account of the Fibonacci investment association and closed positions after determining that Fibonacci had contravened the licensing requirements under the DFSA. BinckBank also strongly suspected that Fibonacci was misleading its members by holding out the prospect of returns that had not been achieved and paying out returns that could only be funded from amounts paid in by new and existing members. In the ruling of 6 March 2015 in the preliminary relief proceedings which Fibonacci had brought against BinckBank concerning BinckBank's actions, the judge found that BinckBank had no authority to close the positions in the way it did. BinckBank was required to release the account and restore Fibonacci's financial position. In the appeal which BinckBank lodged against this ruling, the Amsterdam Court of Appeal dismissed all of BinckBank's complaints. In April 2016 BinckBank received a writ of summons from Fibonacci. In the writ it is alleged that BinckBank breached a contract between BinckBank and Fibonacci and that BinckBank acted unlawfully against Fibonacci. The writ does not contain a claim for damages. According to the writ, the precise damage cannot be determined and should be assessed in follow up proceedings. In the judgment of 17 May 2017, the Amsterdam Court concluded that BinckBank acted negligently in liquidating the investment portfolio of Fibonacci. In continuation of this, the judge puts into effect the so-called claims procedure (schadestaatprocedure) in which the size of the possible damage suffered from the sale of the investment portfolio will be determined. In the claims procedure, amongst others the own fault and role played by Fibonacci that gave rise to the way BinckBank acted, must be considered when determining the possible damage. Both parties have appealed against the judges ruling at the Amsterdam Court of Appeal. BinckBank persists in its opinion that Fibonacci has not suffered any damage at all.

Legal proceedings concerning Stichting Vermogensreparatie Ad Rem

On 8 July 2013, BinckBank was held liable by a group of 19 investors, united in a foundation (Stichting Vermogensreparatie Ad Rem), for investment losses suffered by them amounting to 3.4 million euros to be increased with statutory interest. The investors had transferred funds to an Alex Zelf Beleggen account that Mr. WC Walter held at BinckBank. Mr. Walter has largely lost the money on the stock exchange, trading in turbos, speeders and options. The liability is based on BinckBank's said failure to comply with the duty of care taken by BinckBank towards third parties, namely the members of the aforementioned foundation. According to the accusation, if BinckBank had acted earlier than it did, the injured investors would have suffered no loss or less.

After a long period of silence, the foundation repeated its reproaches in mid-2017 and headed for legal proceedings. BinckBank again rejected liability because it considers to have acted adequately by blocking the account in October 2010 because of the irregularities discovered and subsequently terminating the customer relationship. Given the circumstances, there was no reason to assume that there were irregularities at an earlier stage. We see reasonable good defense options against the alleged facts. The chance of winning possible legal proceedings seems to be greater than the chance of loss.

Legal proceedings concerning Genisys c.s.

On January 4, 2018 BinckBank received a writ of summons from investment association Genisys and a large number of its members. Genisys takes the view that BinckBank has failed in its duty of care towards third parties, namely the members of Genisys, and demands payment of an amount of EUR 1,557,000, to be increased with statutory interest as of January 22, 2009.

Genisys has held an investment account with BinckBank since the beginning of 2009. BinckBank discovered in 2015 that the returns provided by Genisys on its website did not match the actual results achieved. In addition, BinckBank's investigation showed that Genisys offered rights of participation via its website in violation of the supervisory legislation. BinckBank then blocked the account of Genisys. One of the directors of Genisys admitted shortly afterwards that he had misled his members and had misrepresented incorrect returns. The members first turned to the management of Genisys to recover their losses, then they subsequently appealed to BinckBank. According to Genisys, BinckBank should have intervened already at the start of the relationship. By not doing so, BinckBank has acted contrary to its duty of care towards the members, according to Genisys. We foresee reasonably good defense against these alleged facts. The chances of winning the procedure seem to be greater than the chance of loss.

10. No material adverse change

There has been no significant change in the financial or trading position of the BinckBank group since 31 March 2019, being the end of the last financial period for which interim financial statements have been published.

There has been no material adverse change in the prospects of BinckBank since 31 December 2018, being the end of the last financial period for which audited consolidated financial statements have been published.

5. GENERAL INFORMATION ON THE SECURITIES

1. Types of Securities

The Securities may, as specified in the relevant Final Terms, be based on the performance of a share (including a certificate representing shares), an index, a currency exchange rate, a precious metal, a commodity, an interest rate, a non-equity security, a fund unit, a futures contract, or, as the case may be, and as specified in the relevant Final Terms, a reference rate (including, but not limited to, interest rate swap (IRS) rates, currency swap rates or, as the case may be, credit default swap levels), as well as a basket comprising the aforementioned assets.

Securities may be issued in series (each a "**Series**") and Securities of each Series will all be subject to identical terms (except, inter alia, for Issue Price, Issue Date, Issue Size and interest commencement date, which may or may not be identical) whether as to currency, denomination, interest or maturity or otherwise.

2. Law governing the Securities

The Securities issued by the Issuer are governed by Dutch law.

3. Status of the Securities

The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.

4. Form of the Securities

The Securities qualify as securities (*effecten*) within the meaning of Section 1:1 of the DFSA.

The Securities will be treated as dematerialised book-entry form securities pursuant to the Swiss Federal Intermediated Securities Act (FISA).

5. Settlement of the Securities

BinckBank holds with the Settlement Bank:

- (i) a securities account or accounts (the "**Client Securities Account**") in the name of BinckBank, which Client Securities Account will hold the Securities in book-entry form for the account of the Securityholders, and
- (ii) a cash account or accounts (the "**Client Cash Account**") in the name of BinckBank for settlement of cash flows relating to the Securities in the Client Securities Account.

The Settlement Bank will settle all trades in the Securities by way of corresponding book-entries in the Client Securities Account, and the Settlement Bank will make corresponding and simultaneous cash debits or credits in the Client Cash Account.

Upon a settlement of a trade in the Securities by way of a book-entry in the Client Securities Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous book-entry in the securities account of the relevant Securityholder with BinckBank.

Upon a cash debit or credit in the Client Cash Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous cash debit or credit in the cash account of the relevant Securityholder with BinckBank.

The settlement procedure as described above is also applicable in case of a redemption or expiration of the Securities on a Redemption Date or Expiration Date.

6. Further Information relating to the Securities

The details regarding a specific issue of Securities, in particular the relevant issue date, calculations regarding the redemption amount, the redemption currency, minimum trading size, securities identification codes with regard to each issue of Securities under this Base Prospectus will be set out in the applicable Final Terms.

7. Listing or Trading of the Securities

The Issuer does not intend to apply for admission of the Securities to trading on a regulated market or other equivalent market.

The Securities will become tradable on CATS. Securityholders will be able to buy or sell Securities by placing orders with BinckBank. Such orders will be submitted by BinckBank to the Market Maker. The Market Maker intends, under normal market conditions, to provide bid and offer prices for the Securities on a regular basis on behalf of the Issuer. Upon acceptance of a bid or ask price, as the case may be, by the Securityholder via BinckBank, the Market Maker will, with the authorization of the Issuer, match the relevant buy or sell order of the Securityholder and confirm via CATS the execution of a trade in the Security between the Issuer and the Securityholder.

8. Offering of the Securities

The details of the offer and sale of the Securities, in particular the relevant initial payment date, the relevant issue size, the relevant issue price, information with regard to the manner and date, in which the result of the offer are to be made public, if required, and the relevant conditions, if any, to which the offer of the Securities is subject, with regard to each issue of Securities under this Base Prospectus will be set out in the applicable Final Terms.

9. Rating of the Securities

Securities to be issued under this Base Prospectus will not be rated.

10. Maturity of the Securities

Unless the applicable Product Terms of the Securities in the definition of "Securities" specify the product feature "**No predefined term**" to be applicable, the Securities expire – provided that the Securities are not terminated or expired early in accordance with the Conditions of the Securities – on the Redemption Date or, as the case may be, and as specified in the relevant Final Terms on the Expiration Date.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**No predefined term**" is specified to be applicable, the Securities have - in contrast to securities with a fixed term - no pre-determined maturity date, and thus no defined term. As a result, the Securityholder's right vested in those Securities must be exercised by the respective Securityholder on a specific Exercise Date in accordance with the exercise procedure described in the Conditions of the Securities, if the Option Rights to be asserted.

11. Exercise of the Option Rights

The Option Right embedded in the Securities must be exercised by the Securityholder in accordance with the exercise procedure described in the Conditions of the Securities. Upon exercise of the Option Right the Calculation Agent shall calculate the Redemption Amount payable, if any, either corresponding to the number of Securities actually delivered or to the number of Securities specified in the Exercise Notice, whichever is lower. In case the number of Securities actually delivered is higher than the number of Securities specified in the Exercise Notice, any remaining excess amount with respect to the Securities delivered will be returned to the relevant Securityholder.

If so specified in the applicable Product Terms of the Securities, Option Rights, which are not or have not been validly exercised within the Exercise Period, are automatically exercised without requiring the submission of an Exercise Notice, the transfer of the Securities or the fulfilment of further special preconditions on the Expiration Date.

12. Extraordinary Termination Rights of the Issuer and the Securityholders

The following termination rights are, in accordance with the Conditions of the Securities, attached to the Securities:

Termination and Early Redemption at the option of the Issuer

The Issuer is in accordance with the Conditions of the Securities, under certain circumstances entitled to terminate and redeem the Securities in total prior to the Redemption Date, e.g. in case that (i) the determination and/or publication of the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of a Basket Component, is discontinued permanently or (ii) due to the coming into effect of changes in laws or regulations (including but not limited to tax laws) at the reasonable discretion of the Issuer the holding, acquisition or sale of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, of a Basket Component, is or becomes wholly or partially illegal. In such case, each Securityholder is entitled to demand the payment of a redemption amount in relation to this early redemption. However, the Securityholder is not entitled to request any further payments on the Securities after the relevant termination date.

Termination Right of the Securityholders

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Securityholder's Extraordinary Termination Right**" is specified to be **not** applicable, Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Securityholder's Extraordinary Termination Right**" is specified to be applicable, any Securityholder may, by written notice to the Issuer, declare such Security to be forthwith due and payable, whereupon the Securityholder Termination Amount as specified to be applicable in the relevant Product Terms together with accrued interest to the date of payment, if any, shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer, if any of the following events (each an "**Event of Default**") occurs:

- (a) there is a default for more than 30 days in the payment of any principal due in respect of the Security; or
- (b) there is a default in the performance by the Issuer of any other obligation under the Securities which (i) is incapable of remedy or (ii) continues for 60 days after written notice of such default has been given by any Securityholder to the Issuer; or
- (c) any order is made by any competent court or other authority in any jurisdiction or any resolution was passed by the Issuer (a) for the dissolution or winding-up of the Issuer, or (b) for the appointment of a liquidator, receiver or administrator of the Issuer or of all or a substantial part of the Issuer's assets, or (c) with analogous effect for the Issuer. It is understood that anything in connection with a solvent reorganisation, reconstruction, amalgamation or merger shall not constitute an event of default; or
- (d) the Issuer stops payment or is unable to, or admits to creditors generally its inability to, pay its debts as they fall due, or is adjudicated or found bankrupt or insolvent, or enters into any composition or other arrangements with its creditors generally.

No General Early Redemption Right

Neither the Issuer nor the Securityholders have a general early redemption right in relation to the Securities prior to the Redemption Date.

13. Dependency on the Underlying in general

The following features describe the dependency of the value of the Securities on the Underlying:

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Leverage Factor**" or, as the case may be, "**Multiplier**" is specified to be applicable,

potential investors should be aware that the application of the Leverage Factor or of the Multiplier, as specified to be applicable in the Final Terms, as well as of any other proportion factor within the determination of the Option Right results in the Securities being in economic terms similar to a direct investment in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Components, but being nonetheless not fully comparable with such a direct investment, in particular because, if so specified in the relevant Final Terms, the Securityholders do not participate in the relevant performance of the Underlying or, as the case may be, Basket Components by a 1:1 ratio, but by the proportion of the Leverage Factor or of the Multiplier.

In the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Thresholds, barriers or levels**" is specified to be applicable,

potential investors should consider that the Redemption Amount, if any, under the Securities depends on whether the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Components equals, and/or falls below respectively exceeds a certain threshold, barrier, level or rating as specified in the relevant Final Terms, at a given time or, as the case may be, within a given period as determined by the Conditions of the Securities.

Only provided that the relevant threshold, barrier or level has not been reached and/or fallen below respectively exceeded at the time or period as determined by the Conditions of the Securities, the Securityholder receives an amount, pre-determined in the Conditions of the Securities as Redemption Amount. Otherwise the Securityholder participates in the performance of the Underlying or, as the case may be, the Basket Components and, therefore, bears the risks of a total loss of the invested capital.

14. Functioning of the Securities

The following description of the Securities includes a description of the entitlement and further features of the Securities, as provided for in the Conditions of the Securities, and terms and expressions defined in other parts of this Base Prospectus and not otherwise defined in this "General information on the Securities" shall have the same meanings in this part of this Base Prospectus.

All payments relating to the Securities are made in the Redemption Currency specified in the relevant Final Terms.

(i) Turbo's Long:

Turbo's Long allow investors to participate disproportionately (with leverage) in the positive development of the Underlying.

Conversely, investors in Turbo's Long also participate disproportionately (with leverage) in the negative development of the Underlying. Investors bear the risk of the Turbo's Long expiring (almost) worthless **if the price of the Underlying does at any time** (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes **reach or fall short of the Current Stop Loss Level, so-called Stop Loss Event**, all as specified in the applicable Product Terms. In this case, the Option Right expires and the Securityholder will receive payment of a redemption amount in the Redemption Currency which is determined by the Calculation Agent at its reasonable discretion, so-called Stop Loss Redemption Amount. Only if specified in the applicable Product Terms, the Securityholder will in such case receive a minimum re-payment of 0.001 in the Redemption Currency or such other amount as specified in the applicable Product Terms. Otherwise, the Stop Loss Redemption Amount can be € 0.00, but not less than € 0.00.

Upon exercise of the Turbo's Long by either the Securityholder or the Issuer, (and unless a **Stop Loss Event has occurred**), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's Long, exceeds the Current Financing Level, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.

The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's Long remain unchanged, the value of the Turbo's Long.

During their term, the Turbo's Long do not generate any regular income (e.g. dividends or interest).

(ii) Turbo's Short:

Turbo's Short allow investors to positively participate disproportionately (with leverage) in the negative development of the Underlying.

Conversely, investors in Turbo's Short also participate disproportionately (with leverage) in the positive development of the Underlying. Investors bear the risk of the Turbo's Short expiring (almost) worthless **if the price of the Underlying does at any time** (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes **reach or exceed the Current Stop Loss Level, so-called Stop Loss Event**, all as specified in the applicable Product Terms. In this case, the Option Right expires and the Securityholder will receive payment of a redemption amount in the Redemption Currency which is determined by the Calculation Agent at its reasonable discretion, so-called Stop Loss Redemption Amount. Only if specified in the applicable Product Terms, the Securityholder will in such case receive a minimum re-payment of 0.001 in the Redemption Currency or such other amount as specified in the applicable Product Terms. Otherwise, the Stop Loss Redemption Amount can be € 0.00, but not less than € 0.00.

Upon exercise of the Turbo's Short by either the Securityholder or the Issuer, (and unless a **Stop Loss Event has occurred**), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's Short, falls short of the Current Financing Level, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.

The Calculation Agent shall regularly adjust the Current Financing Level and the Current Stop Loss Level to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's Short remain unchanged, the value of the Turbo's Short.

During their term, the Turbo's Short do not generate any regular income (e.g. dividends or interest).

(iii) Turbo's XL Long:

Turbo's XL Long allow investors to participate disproportionately (with leverage) in the positive development of the Underlying.

Conversely, investors in Turbo's XL Long also participate disproportionately (with leverage) in the negative development of the Underlying. Investors bear the risk of the Turbo's XL Long expiring worthless **if at any time the price of the Underlying reaches or falls short of the Current Knock Out Barrier, so-called Knock Out Event** either (i) during the Term of the Securities or any other predefined period specified for these purposes, or (ii) on the Valuation Date or any other predefined date specified for these purposes, all as specified in the applicable Product Terms. In this case, the Option Right lapses and each Turbo XL Long expires immediately worthless.

Upon exercise of the Turbo's XL Long by either the Securityholder or the Issuer (and unless a **Knock Out Event has occurred**), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's XL Long, exceeds the Current Strike, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.

The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Long remain unchanged, the value of the Turbo's XL Long.

During their term, the Turbo's XL Long do not generate any regular income (e.g. dividends or interest).

(iv) Turbo's XL Short:

Turbo's XL Short allow investors to positively participate disproportionately (with leverage) in the negative development of the Underlying.

Conversely, investors in Turbo's XL Short also participate disproportionately (with leverage) in the positive development of the Underlying. Investors bear the risk of the Turbo's XL Short expiring worthless **if the price of the Underlying does at any time** (i) either during the Term of the Securities or any other predefined period specified for these purposes, (ii) or on the Valuation Date or any other predefined date specified for these purposes **reach or exceed the Current Knock Out Barrier, so-called Knock Out Event**, all as specified in the applicable Product Terms. In this case, the Option Right lapses and each Turbo XL Short expires immediately worthless.

Upon exercise of the Turbo's XL Short by either the Securityholder or the Issuer (and unless a **Knock Out Event has occurred**), Securityholders receive on the Redemption Date a Redemption Amount in the Redemption Currency equal to the difference amount by which the Reference Price or the Settlement Price of the Underlying, as specified in the relevant Product Terms of the Turbo's XL Short, falls short of the Current Strike, multiplied by the Leverage Factor or the Multiplier, as specified in the applicable Product Terms.

The Calculation Agent shall regularly adjust the Current Knock Out Barrier and the Current Strike to cover the financing and other costs of the Issuer. These daily adjustments will reduce, if all other factors determining the market price of the Turbo's XL Short remain unchanged, the value of the Turbo's XL Short.

During their term, the Turbo's XL Short do not generate any regular income (e.g. dividends or interest).

1. Structure and Language of the Conditions of the Securities

The Product Terms and the General Conditions together constitute the "**Conditions**" of the relevant Securities. **Full information on the Conditions is only available on the basis of the combination of the Final Terms and this Base Prospectus.**

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Product Terms	
Part 1:	<i>Key Terms and Definitions of the Securities</i>
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§ 1 - 3	<i>Special Conditions of the Securities</i>
General Conditions	
§ 4	<i>Form of Securities; Title and Transfer; Status</i>
§ 5	<i>Settlement</i>
§ 6 (a) - (n)	<i>Adjustments for Securities on Baskets; adjustments in connection with Shares, certificates representing shares, Non-Equity Securities, Commodities, Precious Metals, Indices, exchange traded Fund Units, Fund Units, Futures Contracts, Interest Rates, Currency Exchange Rates and Reference Rates; Benchmark Adjustments</i>
§ 7	<i>Adjustments due to the European Economic and Monetary Union</i>
§ 8	<i>Extraordinary Termination Right of the Issuer</i>
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§ 10	<i>Taxes</i>
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§ 12	<i>Security Agents</i>
§ 13	<i>Substitution of the Issuer</i>
§ 14	<i>Publications</i>
§ 15	<i>Issue of further Securities; Purchase of Securities; Cancellation</i>
§ 16	<i>Intentionally left blank</i>
§ 17	<i>Governing Law; Jurisdiction</i>
§ 18	<i>Corrections; Severability</i>
§ 19	<i>Intentionally left blank</i>
§ 20	<i>Intentionally left blank</i>
§ 21	<i>Intentionally left blank</i>

2. Product Terms

The following "**Product Terms**" of the Securities shall, for the relevant Securities, complete and put in concrete terms the General Conditions for the purposes of such Securities. A version of these Product Terms as completed and with concrete terms for the specific issue will be contained in the applicable Final Terms and must be read in conjunction with the General Conditions.

The Product Terms are composed of:

Part 1: Key Terms and Definitions of the Securities; and

Part 2: Special Conditions of the Securities (for the individual types of Securities).

Product Terms and General Conditions together constitute the "**Conditions**" of the relevant Securities.

In the event of any inconsistency between these Product Terms and the General Conditions, these Product Terms shall prevail for the purposes of the Securities.

Product Terms Part 1: Key Terms and Definitions of the Securities

The Securities use the following definitions and have, subject to an adjustment according to the Conditions of the Securities, the following key terms, both as described below in alphabetical order. The following does not represent a comprehensive description of the Securities, and is subject to and should be read in conjunction with the Conditions of the Securities. The use of the symbol "" in the Key Terms and Definitions of the Securities indicates that the relevant determination will be made by the Calculation Agent or the Issuer, as the case may be, and will be published without undue delay thereafter in accordance with the applicable legal requirements.*

**[Additional
Termination Event:**

Additional Termination Event [, in relation to a currency exchange rate used as [the Underlying] [the Basket Component] means any of the following events:

- (i) The determination and/or publication of the price of a currency used in relation to the currency exchange rate is discontinued permanently, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.*
- (ii) The currency used in connection with the currency exchange rate is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such currency, replaced by another currency, or merged with another currency to*

become a common currency, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.

- (iii) A Relevant Country (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer's and/or any of its affiliates' ability to acquire, hold, transfer or realise the currency used in connection with the currency exchange rate or otherwise to effect transactions in relation to such currency.
- (iv) The occurrence at any time of an event, which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its affiliates from:
 - (aa) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency through customary legal channels or transferring within or from any Relevant Country any of these currencies, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
 - (bb) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
 - (cc) delivering the currency used in connection with the currency exchange rate from accounts inside any Relevant Country to accounts outside such Relevant Country; or
 - (dd) transferring the currency used in connection with the currency exchange rate between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country.]

and [, in relation to a share used as [the Underlying] [the Basket Component] means any of the following events:

- (i) The Issuer obtains knowledge about the intention to discontinue permanently the quotation of the shares of the stock corporation, the share(s) of which is/are used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component, (the "**Company**") [in the Relevant Trading System] [or] [on the Relevant Exchange] [, as the case may be,] due to a merger or a new company formation, due to a transformation of the Company into a legal form without shares, or due to any other comparable reason, in particular as a result of a delisting of the Company.
- (ii) An insolvency proceeding or any other similar proceeding under the jurisdiction applicable to and governing the Company is initiated with respect to the assets of the Company.
- (iii) Take-over of the shares of the Company, which in the Issuer's opinion, results in a significant impact on the liquidity of such shares in the market.
- (iv) Offer to the shareholders of the Company pursuant to the law of the jurisdiction applicable to and governing the Company to convert existing shares of the Company to cash settlement, to Securities other than shares or rights, which are not quoted on a stock exchange and/or in a trading system.]

[and] [, in relation to a certificate representing shares used as [the Underlying] [the Basket Component] means any of the following events:

- (i) The Issuer obtains knowledge about the intention to discontinue permanently the quotation of the certificate representing shares on the Relevant Exchange.
- (ii) An insolvency proceeding or any other similar proceeding under the jurisdiction applicable to and governing the company, which has issued the Underlying

Shares is initiated with respect to the assets of such company.]

- [Adjustment Date:** *The Adjustment Date means [•]. [If this day is not [an Exchange Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•], the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] is the relevant Adjustment Date.]]*
- [Adjustment Time:** *The Adjustment Time means [•] [hrs. local time [Amsterdam, the Netherlands] [•]]*
- [American Depositary Receipt:** *American Depositary Receipt means a negotiable instrument issued by a United States commercial bank acting as a depositary pursuant to a Depositary Agreement unless such Depositary Agreement has not been entered into, that represents a specified number of Underlying Shares issued by an entity organised outside the United States held in a safekeeping account with the depositary's custodian.]*
- [Banking Day:** *The Banking Day means [each day on which the banks in [Amsterdam, the Netherlands [and Zurich, Switzerland] [[•]] are open for business[, the Trans-European Automated Real-time Gross settlement Express Transfer System ("TARGET2") is open] and the Clearing System settles securities dealings.]*
- [Basket Component:** *The Basket Component_(i=1) equals [, subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [Description of [the share or of the American Depositary Receipt or the Global Depositary Receipt on the share or the Depositary Receipt] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the fund unit] [the futures contract (if applicable, including determination of the Relevant Expiration Months)] [the reference rate]: [•]] [in the case of an Index as the Basket Component insert, if appropriate, the following text: (the "Index_(i=1)", [as maintained, calculated and published by [•] (the "Index Sponsor_(i=1)") [as maintained by [•] (the "Index Sponsor_(i=1)") and calculated and published by [•] (the "Index Calculator_(i=1)"))] [in the case of a fund unit as the Basket Component insert, if appropriate, the following text: (the "Fund Unit_(i=1)" in the [•] (the "Fund_(i=1)"))] [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also "ADR_(i=1)") [(also "GDR_(i=1)") (In such context, the Share_(i=1) underlying [the ADR_(i=1)] [the GDR_(i=1)] is also referred to as the "Underlying Share_(i=1)"); and the Basket Component_(i=n) equals [, subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [Description of [the share or of the American Depositary Receipt or the Global Depositary Receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the fund unit] [the futures contract (if applicable, including determination of the Relevant Expiration Months)] [the reference rate]: [•]] [in the case of an Index as the Basket Component insert, if appropriate, the following text: (the "Index_(i=n)", [as maintained, calculated and published by [•] (the "Index Sponsor_(i=n)") [as maintained by [•] (the "Index Sponsor_(i=n)") and calculated and published by [•] (the "Index Calculator_(i=n)"))] [in the case of a fund unit as the Basket Component insert, if appropriate, the following text: (the "Fund Unit_(i=n)" in the [•] (the "Fund_(i=n)"))] [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also "ADR_(i=n)") [also "GDR_(i=n)") (In such context, the Share_(i=n) underlying [the ADR_(i=n)] [the GDR_(i=n)] is also referred to as the "Underlying Share_(i=n)" and the Underlying Share_(i=n) together with [the ADR_(i=n)] [the GDR_(i=n)] as the "Share_(i=n)"))].*
[The Basket Components are [expressed in] [converted into] [related to] [the Underlying Currency] [•]].]
[In this context, the individual underlying values or components of a Basket Component are referred to as a "Component" or, as the case may be, the "Components".]

The term "Basket Component" [or "Index" [, "Index Calculator"] and "Index Sponsor", as the case may be,] [or "Fund Unit" and "Fund", as the case may be] [•] shall also refer to all Basket Components_(i=1) to _(i=n) [and to all Indices_(i=1) to _(i=n) [, all Index Calculators_(i=1) to _(i=n)] and all Index Sponsors_(i=1) to _(i=n), as the case may be] [and to all Fund Units_(i=1) to _(i=n) and all Funds_(i=1) to _(i=n), as the case may be] [•]]
[In this context, [[each] [the] Index Sponsor has control over the provision of the Index (administrator) within the meaning of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in certain financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation"))] [•].]

[Business Day: The Business Day means [•] [each day on which the banks in [Amsterdam, the Netherlands,] [and Zurich, Switzerland] [[•]] are open for business.]]

[Calculation Agent: The Calculation Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland [, acting through its London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom].
The Calculation Agent is the party providing calculations in connection with the Securities, e.g. Settlement Amount and Redemption Amount.

[Currency of the Knock Out Barrier: The Currency of the Knock Out Barrier means [•].]

[Depository Agreement: Depository Agreement means the agreement(s) or other instrument(s) constituting [the American Depositary Receipts] [or, as the case may be,][the Global Depositary Receipts][Depository Receipts], as from time to time amended in accordance with its/their terms.]

[DivFactor: DivFactor (if applicable) means a dividend factor, which reflects any taxation applied on dividends. On any Adjustment Date, the DivFactor is determined at the Calculation Agent's reasonable discretion to be a value between [•] % (including) and 100 % (including).]

[Dividend: Dividend (if applicable) means [dividend or similar payments, as determined by the Calculation Agent at its reasonable discretion, distributed to hypothetical holders of [the Underlying] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]], whereby the ex-dividend day of such payment on the Relevant Exchange is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date]].]

[Dividend Costs: Dividend Costs (applicable only on case of performance indices as Underlying or, as the case may be, Basket Component) means an amount, which increases following [the relevant Adjustment Date] [•], on which the relevant share of the company included in [the Underlying] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]] is traded "ex dividend", [the Financing Level_(Old)][the Strike_(Old) or, as the case may be, the Knock-Out Barrier_(Old)] [,provided that this ex dividend day is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•]]. The Dividend Costs are determined at Calculation Agent's reasonable discretion as being those taxes or other charges and costs, which are levied in the context of the distribution of the dividends [by way of any withholdings] [, to the extent that these may not be credited].][•]]

[Exchange Business Day: The Exchange Business Day means [•] [each day, on which the Relevant Exchange is open for trading and the Price of the Underlying is determined in accordance with

the relevant rules].

[Exercise Date:	<i>The Exercise Date means [•].]</i>
[Exercise Period:	<i>The Exercise Period starts on [•] and ends on [•] [at the Exercise Time].]</i>
[Exercise Time:	<i>The Exercise Time equals [•] [hrs. local time [Amsterdam, the Netherlands] [Zurich, Switzerland]] [•]]</i>
Expiration Date:	<i>The Expiration Date means [•]. [If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date], the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] Calculation Date] is the Expiration Date.]</i>
[Final Valuation Date:	<p><i>[The Final Valuation Date means [the Expiration Date] [•].]</i></p> <p><i>[The Final Valuation Date means [[the Expiration Date] [-]] [(i) in the case of an exercise by the Securityholder in accordance with § [•] of the Conditions of the Securities, subject to an effective exercise procedure, [the relevant Exercise Date] [the day immediately succeeding the relevant Exercise Date] [and] [(ii) in the case of an Automatic Exercise in accordance with § [•] of the Conditions of the Securities [the Automatic Exercise Date] [the day immediately succeeding the Automatic Exercise Date] .]</i></p> <p><i>If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [an Exchange Business Day] in relation to [the Underlying] [an Underlying_(i)] [a Basket Component_(i)], [•] [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] [Exchange Business Day] [Calculation Date] is the relevant Final Valuation Date in relation to</i></p> <p><i>[the Underlying]</i></p> <p><i>[the affected [Underlying_(i)] [Basket Component_(i)]]</i></p> <p><i>[the aggregate [Underlyings] [Basket Components]]].]</i></p>
[Financing Level Currency:	<i>The Financing Level Currency means [•].]</i>
[Fixing Date:	<p><i>The Fixing Date means [•].</i></p> <p><i>If this day is not [a Fund Business Day] [[an Underlying] [a Basket Component] Calculation Date] [an Exchange Business Day] in relation to [the Underlying] [an Underlying_(i)] [a Basket Component_(i)], [the immediately [preceding] [succeeding] [Fund Business Day] [[Underlying] [Basket Component] [Exchange Business Day] [Calculation Date] is the relevant Fixing Date in relation to</i></p> <p><i>[the Underlying]</i></p> <p><i>[the affected [Underlying_(i)] [Basket Component_(i)]]</i></p> <p><i>[the aggregate [Underlyings] [Basket Components]].]</i></p>
[Fixing Time:	<p><i>The Fixing Time equals [•]</i></p> <p><i>[[[•] hrs local time [Amsterdam, the Netherlands] [Zurich, Switzerland] [•]</i></p> <p><i>[[the time of the official determination of the [Price] [[•] price] of the [Underlying] [respective Underlying_(i)] [by the Index Sponsor] [or the Index Calculator, as the case may be] [by the Relevant Reference Agent].] [•]]</i></p> <p><i>[in the case of a Basket as the Underlying insert, if appropriate, the following text: [[•], relevant local time for each Basket Component_(i)] [the time of the official determination of the [Price] [[•] price] of each Basket Component_(i)] [by the Index Sponsor] [by the Relevant Reference Agent].] [•]]]]</i></p>
[Fund Business Day:	<i>The Fund Business Day means any day in respect of which (i) the administrator of the Fund calculates and publishes the Fund's NAV in accordance with the relevant</i>

prospectus and constitutional documents of the Fund and (ii) a Notional Investor in the Fund Units of the Fund could subscribe and redeem the Fund Units.

[Futures Contract with the next Expiration Date:

Futures Contract with the next Expiration Date means [•] [the futures contract with the Expiration Date, which falls in the chronologically next of the Relevant Expiration Months.]]

[Global Depositary Receipt:

Global Depositary Receipt means a negotiable instrument issued by a commercial bank acting as a depositary pursuant to a Depositary Agreement unless such Depositary Agreement has not been entered into, that represents a specified number of Underlying Shares issued by an entity and held in a safekeeping account with the depositary's custodian.]

Governing Law:

Dutch law governed Securities.

[Initial Financing Level:

The Initial Financing Level equals [•]. [indicative. The Initial Financing Level will be fixed on the Fixing Date [at the Fixing Time].]]*

[Initial Financing Spread:

The Initial Financing Spread equals [•]. The Initial Financing Spread will be fixed on the Fixing Date [at the Fixing Time].]]*

[Initial Knock Out Barrier:

The Initial Knock Out Barrier equals [•]. The Initial Knock Out Barrier will be fixed on the Fixing Date [at the Fixing Time].]]*

[Initial Payment Date:

The Initial Payment Date means [•].]

[Initial Stop Loss Level:

The Initial Stop Loss Level equals [•]. The Initial Stop Loss Level will be fixed on the Fixing Date [at the Fixing Time].]]*

[Initial Stop Loss Premium:

The Initial Stop Loss Premium equals [•]. [indicative. The Initial Stop Loss Premium will be fixed on the Fixing Date [at Fixing Time].]]*

[Initial Strike:

The Initial Strike equals [•]. [indicative. The Initial Strike will be fixed on the Fixing Date [at Fixing Time].]]*

[Issue Date:

The Issue Date means [•].

Issuer:

The Issuer means BinckBank N.V., Barbara Strozilaan 310, 1083 HN Amsterdam, the Netherlands

Issuer Exercise Date:

The Issuer Exercise Date means [•].

[Knock Out Barrier:

The Knock Out Barrier equals [•]. [indicative. The Knock Out Barrier will be fixed [at the Fixing Time] on the Fixing Date.]]*

[Leverage Factor:

The Leverage Factor equals [•] [indicative. The Leverage Factor will be fixed on the Fixing Date [at Fixing Time].]]*

[Minimum Exercise Size:

The Minimum Exercise Size equals 1 Security.]

[Minimum Settlement Amount:

The Minimum Settlement Amount equals [0.001] [•] in the Redemption Currency per Security.]

[Minimum Trading Size:

The Minimum Trading Size equals 1 Security.]

[Multiplier:	<i>The Multiplier equals [•], or expressed as a decimal number [•], i.e. [•] [Security relates] [Securities relate] to 1 Underlying [, respectively, 1 Security relates to [•]Underlying[s], as the case may be].] [indicative. The Multiplier will be fixed [at the Fixing Time] on the Fixing Date.*]]</i>
[Net Asset Value:	<i>The Net Asset Value ("NAV") means [the Fund's net asset value as calculated and published by the Fund's administrator in accordance with the relevant Fund's prospectus and constitutional documents by adding the value of all the assets of the Fund and deducting the total liabilities (including, in particular but not limited to, any fees (including an advisory fee and an incentive fee) payable to the Fund's advisor, the administrator, the bank and the custodian of the Fund, all borrowings, brokerage fees, provisions for taxes (if any), allowances for contingent liabilities and any other costs and expenses reasonably and properly incurred to the bank or the custodian of the Fund in effecting the acquisition or disposal of securities or in administering the Fund) of the Fund.] [the net asset value of the Fund Unit as published by or on behalf of the Fund (or its manager). For the purpose of calculating such value as of [the [Final] Valuation Date] [any Valuation Averaging Date] [•], the Calculation Agent, acting in its reasonable discretion, shall determine such value based on the redemption proceeds that a Notional Investor would have received, if that such Notional Investor had, subject to giving the appropriate prior notice, requested redemption of the Fund Unit as of [the [Final] Valuation Date] [such Valuation Averaging Date] [•].]</i>
[Notional Investor:	<i>The Notional Investor means a hypothetical investor (in the same position as the Issuer) investing in the Fund Units of the Fund.]</i>
Paying Agent:	<i>The Paying Agent means UBS Switzerland AG, Bahnhof-strasse 45, 8001 Zurich, Switzerland. The Paying Agent is the party arranging for the relevant payments at issuance and redemption of the Securities.</i>
[Price of the Basket Component:	<i>The Price of the Basket Component means [•] [the [•] price(s) of the respective Basket Component(s) as [continuously] determined [by the Relevant Trading System] [or] [on the Relevant Exchange]] [or] [in the case of an Index as the Basket Component insert, if applicable, the following text: the [•] price(s) of the [relevant] Basket Component(s)] as calculated and published by [the Index Sponsor] [the Index Calculator]] [or] [in the case of a currency exchange rate as the Basket Component insert, if applicable, the following text: [the [•] [bid] [mean] [ask] price[s] of the [relevant] Basket Component[s] as [[continuously] determined on the Relevant Exchange Market] [and] [published on [[Reuters] [Bloomberg] on page ["EUROFX/1"] [•]] [the Relevant Screen Page], or a substitute page thereof.] [or] [in the case of an interest rate as the Basket Component insert, if applicable, the following text: [•] [the [•] price[s] of the [relevant] Basket Component[s] as [[continuously] determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof]] [or] [in the case of a fund unit as the Basket Component insert, if applicable, the following text: [•] [the Net Asset Value of the [relevant] Fund in relation to the Fund Unit, as calculated [and published] by [-] [the [relevant] administrator of the Fund] [or] [in the case of a futures contract as the Basket Component insert, if applicable, the following text: [the [•] price[s] of the [relevant] Basket Component[s] as [[continuously] determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof]]] [or] [in the case of a reference rate as the Basket Component insert, if applicable, the</i>

following text: [•] [the [·]price[s] of the [relevant] Basket Component[s] as [[continuously] determined [on the Relevant Reference Market] [by the Relevant Reference Agent]] [and] [published on the Relevant Screen Page or a substitute page thereof].]] [or]

[The Price of each Basket Component is [expressed in] [converted into] [related to] [the Underlying Currency] [•].]

[in the case of a currency exchange rate, interest rate, futures contract or a reference rate as Basket Component, as the case may be, insert, if applicable, the following text: [•] [If the [respective] Relevant Screen Page at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] is not available or if the Price for the [respective] Basket Component is not displayed, the relevant Price shall be the [[•] rate] [[•]price] [level] [(expressed as a percentage p.a.)] as displayed on the corresponding page of another financial information service. If the Price of the [respective] Basket Component is no longer displayed in one of the above forms, the Issuer is entitled to specify at its reasonable discretion a [[•]rate] [[•] price] [level] [(expressed as a percentage p.a.)] calculated on the basis of the standard market practices applicable at that time as the relevant price. In this case the Issuer is entitled but not obliged to request from reference banks selected at its reasonable discretion their respective quotes for the [[•]rate] [[•]price] [level] corresponding to the [respective] Basket Component [(expressed as a percentage rate p.a.)] at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] on the relevant [Valuation Date] [Final Valuation Date]. If at least [two] [•] of the reference banks have provided a corresponding quote to the Issuer, the Calculation Agent is entitled but not obliged to determine the relevant price by using the [arithmetical] average calculated by it (if necessary rounded to the nearest one thousandth of a percent) of the quotes specified by these reference banks.]]]

[Price of the Underlying:

The Price of the Underlying means [•]

[[the [•] price of the Underlying as [continuously] determined [in the Relevant Trading System] [or] [on the Relevant Exchange].]

[in the case of an Index as the Underlying insert, if applicable, the following text: the [•] price of the Underlying as calculated and published by [the Index Sponsor] [the Index Calculator].]

[in the case of a currency exchange rate as the Underlying insert, if applicable, the following text: [•] [the [•] [bid] [mean] [ask] [•] price of the Underlying as [[continuously] determined on the Relevant Exchange Market] [and] [published on [[Reuters] [Bloomberg] on page ["EUROFX/1"] [•]] [the Relevant Screen Page], or a substitute page thereof.]

[in the case of an interest rate as the Underlying insert, if applicable, the following text: [•] [the [•] price of the Underlying as [[continuously] determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof].]]

[in the case of a fund unit as the Underlying insert, if appropriate, the following text: [•] [the Net Asset Value of the Fund in relation to the Fund Unit, as calculated [and published] by the administrator of the Fund.]]

[in the case of a futures contract as the Underlying insert, if applicable, the following text: [•] [the [•] price of the Underlying as [[continuously] determined on the Relevant Reference Market] [and] [published on the Relevant Screen Page or a substitute page thereof].]]

[in the case of a reference rate as the Underlying insert, if applicable, the following text: [•] [the [•] price of the Underlying as [[continuously] determined [on the Relevant Reference Market] [by the Relevant Reference Agent]] [and] [published on the Relevant Screen Page or a substitute page thereof].]]

[in the case of a Basket as the Underlying insert, if applicable, the following text: [•] [the sum of the respective Prices of the Basket Components [each multiplied by the Percentage Weighting of the respective Basket Component within the Basket.]]

[The Price of the [respective] Underlying is [expressed in] [converted into] [related to] [the Underlying Currency] [•].]

[In the case of a currency exchange rate, interest rate, futures contract or a reference rate as the Underlying, as the case may be, add, if applicable, the following text: [•] [If the [respective] Relevant Screen Page at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] is not available or if the Price for the [respective] Underlying is not displayed, the relevant Price shall be the [[•]rate] [[•]price] [level] [(expressed as a percentage p.a.)] as displayed on the corresponding page of another financial information service. If the Price of the [respective] Underlying is no longer displayed in one of the above forms, the Issuer is entitled to specify at its reasonable discretion a [[•]rate] [[•]price] [level] [(expressed as a percentage p.a.)] calculated on the basis of the standard market practices applicable at that time as the relevant price. In this case the Issuer is entitled but not obliged to request from reference banks selected at its reasonable discretion their respective quotes for the [[•]rate] [[•]price] [level] corresponding to the [respective] Underlying [(expressed as a percentage rate p.a.)] at the [respective] [Fixing Time] [or, as the case may be,] [Valuation Time] on the relevant [Valuation Date] [Final Valuation Date]. If at least [two] [•] of the reference banks have provided a corresponding quote to the Issuer, the Calculation Agent is entitled but not obliged to determine the relevant price by using the [arithmetical] average calculated by it (if necessary rounded to the nearest one thousandth of a percent) of the quotes specified by these reference banks.]]

Principal Paying Agent:

The Principal Paying Agent means UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland.

[Quanto:

Quanto means that the relevant Price of the [Underlying] [Basket Components] used for the calculation of any amounts payable under the Securities is expressed in the Redemption Currency without any reference to the currency exchange rate between the underlying currency of the [Underlying] [Basket Components], and the Redemption Currency.]

[Rate:

The Rate means [the prevailing rate for deposits in the Financing Level Currency (London Interbank Offered Rate (LIBOR))] [[•] as determined by the Calculation Agent at its reasonable discretion on the relevant Adjustment Date].]

*If (i) the Rate is no longer displayed or is discontinued permanently without an official legal successor rate or (ii) the administrator of the relevant rate fails to obtain or maintain any necessary approvals or registrations, the Issuer is entitled to replace the Rate by another interest rate, representing, at the reasonable discretion of the Calculation Agent, an economically comparable concept, (the “**Successor Rate**”). The Successor Rate and the date it is applied for the first time shall be published without undue delay by way of publication pursuant to § 14 of these Conditions.]*

Redemption Currency:

*The Redemption Currency means [•]. [The product feature “**Currency Conversion**” applies.]*

Redemption Date:

The Redemption Date means [•] [the [•] Banking Day after (i) in case of an exercise by the Securityholder in accordance with § [•] of the Conditions of the Securities, the [relevant Valuation Date][in relation to the Exercise Date], (ii) in case of a redemption of the Securities by the Issuer in accordance with § [•] of the Conditions of the Securities, the [relevant Valuation Date] [in relation to the Issuer Exercise Date], [(ii) [(iii)] in case of the occurrence of a [Stop Loss Event] [Knock Out Event] in accordance with § [•] of the Conditions of the Securities, [the Stop Loss Expiration Date] [the Knock Out Expiration Date];] and [(ii) [(iii)] [(iv)] in case of a termination by

the Issuer in accordance with § 8 [•] of the Conditions of the Securities, the Termination Date.]

[Reference Level:

The Reference Level of the Underlying equals [•]

[in the case of a Basket as the Underlying insert, if appropriate, the following text: the sum of the respective Reference Levels of the Basket Components [each multiplied by the Percentage Weighting of the respective Basket Component within the Basket] [, related to the Underlying Currency].]

[Reference Price:

The Reference Price of the Underlying equals [•]

[the Price of the Underlying on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time].]

[If on the Valuation Date, in the opinion of the Calculation Agent at its reasonable discretion, there is not sufficient liquidity in relation to [the Underlying] [one or more of the Underlyings] [one or more of the Basket Components] or if the unwinding of any hedging transaction, due to such illiquidity or any other reason, has an inadequate impact on the Price of [the Underlying] [one or more of the Underlyings] [one or more of the Basket Components], the Calculation Agent shall determine the Reference Price based on the [arithmetic] [volume weighted] average of the [-] prices of the Underlying, as indicated by the unwinding of the related hedging transactions in [the Underlying] [the relevant Basket Component], on [the Valuation Date] [the Final Valuation Date]. [The Calculation Agent shall determine [the closing dates on the Fixing Date and] the unwinding dates of the hedging transactions at its reasonable discretion .]]

[Relevant Conversion Rate:

The Relevant Conversion Rate means the relevant [bid] [mean] [ask] rate [as published on [•]]

[(i) [the Valuation Date] [the Final Valuation Date] or (ii) in the case of a termination by the Issuer, on the [Termination Date] [day, on which the Termination Event occurs], [or (iii) in the case of a termination by the Securityholders, on [•] [the day, on which the Event of Default occurs]],

[the Banking Day immediately succeeding (i) [the Valuation Date] [the Final Valuation Date] or (ii) in the case of termination by the Issuer, the [Termination Date] [day, on which the Termination Event occurs] [or (iii) in the case of a termination by the Securityholders, on [•] [the day, on which the Event of Default occurs]],

[[Reuters] [Bloomberg] on page ["EUROFX/1"] ["ECB37"] [•], or a substitute page thereof.]]

[If the Relevant Conversion Rate is not determined or quoted in the manner described above or if controversial [bid] [mean] [ask] rates are quoted, the Calculation Agent shall be entitled to identify a Relevant Conversion Rate, determined on the basis of the then prevailing market customs.]]

[This definition is applicable in case the Underlying is expressed in a different currency than the Redemption Currency of the Securities, for example the Underlying is expressed in USD, whereas the Redemption Currency is expressed in EUR.]

[Relevant Country:

The Relevant Country means with respect to the [Underlying] [Basket Component], each of (i) any country (or any political or regulatory authority thereof) in which the currency used as [the Underlying] [the Basket Component] is the legal tender or currency; and (ii) any country (or any political or regulatory authority thereof) with which the currency used as [the Underlying] [the Basket Component] has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factors as it may deem appropriate at its reasonable discretion.]

[Relevant Exchange:	<p>The Relevant Exchange means [•] [in the case of an Index as the Underlying or Basket Component, as the case may be, insert, if appropriate, the following text: the stock exchange(s) on which the Components comprised in the Index are traded, as determined by [the Index Sponsor] [or] [the Index Calculator, as the case may be].] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)]. The term "Relevant Exchange" shall also refer to all Relevant Exchanges_(i=1) to _(i=n).]</p>
[Relevant Exchange Market:	<p>The Relevant Exchange Market means [•] [the foreign exchange market[s], on which the [[Underlying[s]] [Basket Component[s]] [is] [are] primarily traded.] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)]. The term "Relevant Exchange Market" shall also refer to all Relevant Exchange Markets_(i=1) to _(i=n).]</p>
[Relevant Futures and Options Exchange:	<p>The Relevant Futures and Options Exchange means [•] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)].] [the futures and options exchange[s], on which futures and option contracts on the [[Underlying[s]] [Basket Component[s]] are primarily traded, as determined by the Calculation Agent]. [The term "Relevant Futures and Options Exchange" shall also refer to all Relevant Futures and Options Exchanges_(i=1) to _(i=n).]</p>
[Relevant Reference Agent:	<p>The Relevant Reference Agent means [•] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)]. The term "Relevant Reference Agent" shall also refer to all Relevant Reference Agents_(i=1) to _(i=n).]</p>
[Relevant Reference Market:	<p>The Relevant Reference Market means [•] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)]. The term "Relevant Reference Market" shall also refer to all Relevant Reference Markets_(i=1) to _(i=n).]</p>
[Relevant Reference Rate:	<p>The Relevant Reference Rate equals [insert description of the reference rate: [•].]</p>
[Relevant Screen Page:	<p>The Relevant Screen Page means [•] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)]. The term "Relevant Screen Page" shall also refer to all Relevant Screen Pages_(i=1) to _(i=n).]</p>
[Relevant Trading System:	<p>The Relevant Trading System means [•] [in the case of an Index as the Underlying or Basket Component, as the case may be, insert, if appropriate, the following text: The trading system(s) in which the Components comprised in the Index are traded, as determined by the [Index Sponsor] [or] [the Index Calculator, as the case may be].] [in the case of a Fund Unit as the Underlying or Basket Component, as the case may be, insert, if appropriate, the following text: [the Fund] [•].] [[•] in relation to the [Underlying_(i=1)] [Basket Component_(i=1)], [•] and [•] in relation to the [Underlying_(i=n)] [Basket Component_(i=n)]. The term "Relevant Trading System" shall also refer to all Relevant Trading Systems_(i=1) to _(i=n).]</p>
[Roll Over Date:	<p>Roll Over Date means [the last trading date] [the first trading date after the last trading date] [•] of the futures contracts in the Relevant Reference Market. If, at that date, the Issuer determines at its reasonable discretion that there is insufficient</p>

liquidity in the futures contract used as [the Underlying] [the Basket Component] in the Relevant Reference Market or that a comparable extraordinarily market situation prevails, the Issuer shall be entitled to determine at its reasonable discretion another day as Roll Over Date.]

Securities:

Securities means the [specify designation of the Securities: [•]] Securities issued by the Issuer in the Issue Size with the following product feature:

Leverage Factor:	[Applicable] [Not Applicable]
Multiplier:	[Applicable] [Not Applicable]
Thresholds / barriers / level:	[Applicable] [Not Applicable]
Currency Conversion:	[Applicable] [Not Applicable]
No predefined term:	[Applicable] [Not Applicable]
Minimum Exercise Size:	[Applicable] [Not Applicable]
Securityholder's Extraordinary Termination Right:	[Applicable] [Not Applicable]
Quanto:	[Applicable] [Not Applicable]
Consideration of Components:	[Applicable] [Not Applicable]
Individual Determination:	[Applicable] [Not Applicable]
Collective Determination:	[Applicable] [Not Applicable]
Benchmark Adjustment:	[Applicable] [Not Applicable]

[Securityholder Termination Amount:

The Securityholder Termination Amount equals an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion and considering [the then prevailing Price of the Underlying] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]], as the fair market price of a Security at the occurrence of the termination of the Securities.]

[Settlement Amount:

The Settlement Amount equals [insert amount: [•].]

[Settlement Cycle:

The Settlement Cycle means [•] [the number of [Banking Days] [business days]][[Underlying] [Basket Component] Calculation Dates] following a trade in the [Underlying] [Basket Component] [in the Relevant Trading System] [or] [on the Relevant Exchange] in which settlement will customarily occur according to the rules of [the Relevant Trading System] [or] [the Relevant Exchange].]

[Settlement Price:	<p>The Settlement Price of the Underlying equals [•] [the Price of the Underlying on [the Valuation Date] [the Final Valuation Date] [at the Valuation Time].]</p> <p>[in the case of a Basket as the Underlying insert, if appropriate, the following text: the sum of the respective Reference Levels of the Basket Components [each multiplied by the [Percentage] Weighting of the respective Basket Component within the Basket] [, related to the Underlying Currency].]</p> <p>[If on the Valuation Date, in the opinion of the Calculation Agent at its reasonable discretion, there is not sufficient liquidity in relation to [the Underlying] [one or more of the Underlyings] [one or more of the Basket Components] or if the unwinding of any hedging transaction, due to such illiquidity or any other reason, has an inadequate impact on the Price of [the Underlying] [one or more of the Underlyings] [one or more of the Basket Components], the Calculation Agent shall determine the Settlement Price based on the [arithmetical] [volume weighted] average of the [•] prices of the Underlying, as indicated by the unwinding of the related hedging transactions in [the Underlying] [the relevant Basket Component], on [the Valuation Date] [the Final Valuation Date]. [The Calculation Agent shall determine [the closing dates on the Fixing Date and] the unwinding dates of the hedging transactions at its reasonable discretion .]]</p>
[Start of the public offer of the Securities:	[•]
[Stop Loss Level Currency:	The Stop Loss Level Currency means [•].]
[Strike:	<p>The Strike of the Underlying equals [•] [in the case of a Basket as the Underlying insert, if appropriate, the following text: the sum of the respective Strikes of the Basket Components [each multiplied by the Percentage Weighting of the respective Basket Component within the Basket] [, related to the Underlying Currency].]</p>
[Strike Currency:	The Strike Currency means [•].]
[Term of the Securities:	<p>The Term of the Securities means [•] [the period, commencing on the [Issue Date] [Fixing Date] [•] [at [•] hrs Amsterdam time,] [•]] and ending [at [•] hrs Amsterdam time] [•]] [with the determination of [the Reference Price] [the Settlement Price]] on [the Redemption Date] [the Expiration Date] [the Valuation Date] [the Final Valuation Date].]</p>
Termination Amount:	<p>The Termination Amount equals an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion and considering [the then prevailing Price of the Underlying] [if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]], as the fair market price of a Security at the occurrence of the termination of the Securities.]</p>
[Underlying][Basket Component] Calculation Date:	<p>The [Underlying] [Basket Component] Calculation Date means [•] [each day, on which [the Relevant Trading System] [,] [and] [the Relevant Exchange] [,] [and] [the Relevant Exchange Market] [and] [the Relevant Reference Market] [is] [are] open for trading [and] [the Price of the [Underlying] [Basket Component] is determined in accordance with the relevant rules]]</p> <p>[in the case of an Index as the Underlying or Basket Component, as the case may be, insert, if applicable, the following text: [[or, as the case may be,] in relation to</p>

the Index] each day, on which [(i)] [the Index Sponsor] [the Index Calculator] determines, calculates and publishes the official price of the Index, [and (ii) the Components, which are comprised in the Index are [, to the extent of at least [•] [80 %] [90 %] of the market capitalisation of all Components, which are comprised in the Index, or of the overall value of the Index,] available for trading and quotation [in the Relevant Trading System] [or] [on the Relevant Exchange]]

[in the case of a fund unit as the Underlying or Basket Component, as the case may be, insert, if applicable, the following text: [(or, as the case may be,) in relation to a Fund Unit] each day on which the [respective] administrator of the Fund publishes the Net Asset Value for such Fund in accordance with the relevant Fund's prospectus and constitutional documents]

[in the case of a reference rate as the Underlying or Basket Component, as the case may be, insert, if applicable, the following text: [(or, as the case may be,) in relation to a reference rate] each day on which the [respective] Relevant Reference Agent determines the Price of the [Underlying] [Basket Component] in accordance with the relevant rules]].]

[Underlying Currency: The Underlying Currency means [•].]

Underlying [s]: [The Underlying means [, subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [insert description of [the share or of the American Depositary Receipt, the Global Depositary Receipt or other depositary receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the fund unit] [the futures contract (if applicable, including determination of the Relevant Expiration Months)] [the reference rate] [the Basket]: [•]]

[in the case of an Index as the Underlying add the following text: (the "**Index**"), [as maintained, calculated and published by [•] (the "**Index Sponsor**") [as maintained by [•] (the "**Index Sponsor**") and calculated and published by [•] (the "**Index Calculator**")].]

[in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [also "**ADR**")] [(also "**GDR**")] [(also "**DR**")] In such context, the Share underlying [the ADR] [the GDR] [the DR] is also referred to as the "**Underlying Share**".]

[in the case of a fund unit as the Underlying insert, if appropriate, the following text: (the "**Fund Unit**") in the [•] (the "**Fund**").]

[in the case of a Basket as the Underlying add the following text: (the "**Basket**"), comprising the Basket Components, as calculated and published by [•] [the Calculation Agent].]

[in the case of an Index as the Underlying insert, if appropriate, the following text: (the "**Index_(i=1)**"), [as maintained, calculated and published by [•] (the "**Index Sponsor_(i=1)**") [as maintained by [•] (the "**Index Sponsor_(i=1)**") and calculated and published by [•] (the "**Index Calculator_(i=1)**")]] [in the case of a fund unit as the Underlying insert, if appropriate, the following text: (the "**Fund Unit_(i=1)**") in the [•] (the "**Fund_(i=n)**") [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also "**ADR_(i=1)**") [(also "**GDR_(i=1)**") (In such context, the Share_(i=1) underlying [the ADR_(i=1)] [the GDR_(i=1)] is also referred to as the "**Underlying Share_(i=1)**" and the Underlying Share_(i=1) together with [the ADR_(i=1)] [the GDR_(i=1)] as the "**Share_(i=1)**"); [•] and the Underlying_(i=n) equals [, subject to a Roll Over in accordance with § 6 (j) of the Conditions of the Securities,] [insert description of [the share or of the American Depositary Receipt or the Global Depositary Receipt on the share] [the Index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the non-equity security] [the fund unit] [the futures contract (if applicable, including determination of the Relevant Expiration Months)] [the reference rate]: [•]] [in the case of an Index as the Underlying insert, if appropriate, the following text: (the "**Index_(i=n)**"), [as maintained, calculated and

published by [•] (the "**Index Sponsor**_(i=n)") [as maintained by [•] (the "**Index Sponsor**_(i=n)") and calculated and published by [•] (the "**Index Calculator**_(i=n)")]] [in the case of a fund unit as the Underlying insert, if appropriate, the following text: (the "**Fund Unit**_(i=n)") in the [•] (the "**Fund**_(i=n)")]] [in the case of a certificate representing shares as the Underlying insert, if appropriate, the following text: [(also "**ADR**_(i=n)") [(also "**GDR**_(i=n)")]] (In such context, the **Share**_(i=n) underlying [the **ADR**_(i=n)] [the **GDR**_(i=n)] is also referred to as the "**Underlying Share**_(i=n)".]

The term "Underlying" [or "Index" [, "Index Calculator"] and "Index Sponsor", as the case may be,] [or "Fund Unit" and "Fund", as the case may be] [.] shall also refer to all Underlyings_(i=1) to _(i=n) [and to all Indices_(i=1) to _(i=n)], to all Index Calculators_(i=1) to _(i=n) and all Index Sponsors_(i=1) to _(i=n), as the case may be [and to all Fund Units_(i=1) to _(i=n) and all Funds_(i=1) to _(i=n), as the case may be] [•].]

[[The Underlying is] [The Underlyings are] [expressed in] [converted into] [related to] [the Underlying Currency] [•].]

[In this context, the individual underlying values or components of [the] [an] Underlying are referred to as a "**Component**" or, as the case may be, the "**Components**".]

[In this context, [[each] [the] Index Sponsor has control over the provision of the Index (administrator) within the meaning of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in certain financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**")]] [•].]

[Valuation Date:

[The Valuation Date means [•].]

[The Valuation Date means [the [•]] [(i) in the case of an exercise by the Securityholder in accordance with § [•] of the Conditions of the Securities, subject to an effective exercise procedure, [the relevant Exercise Date] [the day immediately succeeding the relevant Exercise Date] [•]] [and] [(ii) in the case of a redemption of the Securities by the Issuer in accordance with § [•] of the Conditions of the Securities, the relevant Issuer Exercise Date] [and] [(iii) in the case of an Automatic Exercise in accordance with § [•] of the Conditions of the Securities [the Automatic Exercise Date] [the day immediately succeeding the Automatic Exercise Date] [•]].]

If this day is not [a Fund Business Day] [an Exchange Business Day] [[an Underlying] [a Basket Component] Calculation Date] in relation to [the Underlying] [an Underlying_(i)] [a Basket Component_(i)], [the immediately [preceding] [succeeding] [Fund Business Day] [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] is the deemed to be the relevant Valuation Date in relation to [the Underlying]

[the affected [Underlying_(i)] [Basket Component_(i)]]

[the aggregate [Underlyings] [Basket Components]]].]

[Valuation Time:

The Valuation Time means [•]

[[[•] hrs local time [Amsterdam, the Netherlands] [Zurich, Switzerland]]

[[the time of the official determination of the [Price] [[•] price] of the [Underlying] [respective Underlying_(i)] [by the Index Sponsor] [or the Index Calculator, as the case may be] [by the Relevant Reference Agent].]

[in the case of a Basket as the Underlying insert, if appropriate, the following text: [relevant local time for each Basket Component_(i)] [the time of the official determination of the [Price] [[•]] price of each Basket Component_(i)] [by the Index Sponsor] [by the Relevant Reference Agent].]

Product Terms Part 2: Special Conditions of the Securities

(i) Turbo's Long:

§ 1
Option Right

(1) Option Right of the Securityholders

The Issuer hereby warrants to the Securityholder (§ 4 (2) of these Conditions) of each (1) Security relating to the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* in accordance with these Conditions that such Securityholder shall have the right (the "**Option Right**") to receive, subject to the occurrence of a Stop Loss Event in accordance with § 2 of these Conditions, the Settlement Amount (§ 1 (2) of these Conditions) [converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (the "**Redemption Amount**").

(2) Settlement Amount

The "**Settlement Amount**" is

[subject to the payment of the Minimum Settlement Amount,] calculated in accordance with the following formula:

$$\begin{aligned} & \left[\text{Max} \left[0.001 ; \left(\text{Settlement Price} - \text{Current Financing Level} \right) \right] \right] \\ & \left[\text{Max} \left[0.001 ; \left(\text{Reference Price} - \text{Current Financing Level} \right) \right] \right] \\ & \left[\text{Max} \left[0 ; \left(\text{Settlement Price} - \text{Current Financing Level} \right) \right] \right] \\ & \left[\text{Max} \left[0 ; \left(\text{Reference Price} - \text{Current Financing Level} \right) \right] \right] \end{aligned}$$

(3) Adjustment of the Financing Level

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Financing Level and, thereafter, any then current financing level (each the "**Financing Level**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Financing Level (being current on such Adjustment Date) is referred to as "**Current Financing Level**":

$$\begin{aligned} & \text{FLevel}_{(\text{Old})} + \left(\frac{(\text{Rate} + \text{FSpread}) \times \text{FLevel}_{(\text{Old})} \times n}{360} \right) - (\text{Dividend} \times \text{DivFactor}) \\ & \left[\text{FLevel}_{(\text{Old})} + \left(\frac{(\text{Rate} + \text{FSpread}) \times \text{FLevel}_{(\text{Old})} \times n}{360} \right) \right] \end{aligned}$$

(The result commercially rounded to [two] [four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Financing Level, $\text{FLevel}_{(\text{Old})}$ not rounded will be used.

The Current Financing Level will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•]hrs (local time [Amsterdam, the Netherlands] [Zurich, Switzerland]) [•]]] [•] on the website of the Issuer at . www.turbos.binck.com.

[Whereby:]

["**Adjustment Date**" means [•]. [If this day is not [Exchange Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•], the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Adjustment Date.]]

["**Adjustment Time**" means [•].]

["**Initial Financing Level**" equals [•].]

["**FLevel_(Old)**" means the Financing Level on any Adjustment Date prior to the adjustment.]

Following the Initial Financing Spread, "**FSpread**" means the financing spread, which is set on any Adjustment Date to be a value between [•]% [(including)] and [•]% [(including)], as determined at the Calculation Agent's reasonable discretion. The "**Initial Financing Spread**" equals [•]%.

["**Rate**" means [•] [the prevailing rate for deposits in the Financing Level Currency (London Interbank Offered Rate (*LIBOR*)) as determined by the Calculation Agent at its reasonable discretion on the relevant Adjustment Date].

If (i) the Rate is no longer displayed or is discontinued permanently without an official legal successor rate or (ii) the administrator of the relevant rate fails to obtain or maintain any necessary approvals or registrations, the Issuer is entitled to replace the Rate by another interest rate, representing, at the reasonable discretion of the Calculation Agent, an economically comparable concept, (the "**Successor Rate**"). The Successor Rate and the date it is applied for the first time shall be published without undue delay by way of publication pursuant to § 14 of these Conditions.]

["**Dividend**" (if applicable) means [•] [dividend or similar payments, as determined by the Calculation Agent at its reasonable discretion, distributed to hypothetical holders of [the Underlying] *if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]*], whereby the *ex-dividend day* of such payment on the Relevant Exchange is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•].]

["**Dividend Costs**" (applicable only on case of performance indices as Underlying or, as the case may be, Basket Component) means an amount, which increases following [the relevant Adjustment Date] [·], on which the relevant share of the company included in [the Underlying] *if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [·]* is traded "*ex dividend*", [the Financing Level_(Old)] [the Strike_(Old) or, as the case may be, the Knock-Out Barrier_(Old)] [, provided that this *ex dividend day* is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [·]]. The Dividend Costs are determined at Calculation Agent's reasonable discretion as being those taxes or other charges and costs, which are levied in the context of the distribution of the dividends [by way of any withholdings] [, to the extent that these may not be credited].][[•]]"]

["**DivFactor**" (if applicable) means [•] [a dividend factor, which reflects any taxation applied on dividends. On any Adjustment Date, the DivFactor is determined at the Calculation Agent's reasonable discretion to be a value between 0 % (including) and 100 % (including)].]

["**n**" means the number of calendar days from the current Adjustment Date (excluding) to the immediately succeeding Adjustment Date (including).]

["**Financing Level Currency**" means [•].]

(4) Determinations and Calculations in connection with the Option Right

Any determinations and calculations in connection with the Option Right, in particular the calculation of the Redemption Amount, will be made by the Calculation Agent. Determinations and calculations made in this respect by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

§ 2 Stop Loss Event

(1) Consequences of the occurrence of a Stop Loss Event

If a **Stop Loss Event** (§ 2 (3) of these Conditions) **occurs**, the Option Right expires on such day (the "**Stop Loss Expiration Date**") and the Securities become invalid. In this case, the Securityholder is entitled to receive with respect to each Security it holds the Stop Loss Redemption Amount (§ 2 (2) of these Conditions) in the Redemption Currency (also the "**Redemption Amount**").

(2) Stop Loss Redemption Amount

The "**Stop Loss Redemption Amount**" means [, subject to the payment of the Minimum Settlement Amount,] an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [, considering the hedging transactions of the Issuer with the Hedging Counterparty,] [as the fair market price of a Security] on the Stop Loss Expiration Date].

(3) Occurrence of Stop Loss Event

A "**Stop Loss Event**" shall occur, if

*[in the case of Securities with a **period related observation** add the following text:*

[at any time] [during] [the Term of the Securities] [following] [the Fixing Date] [the Issue Date] [the Start of the public offer of the Securities] [•] the Price of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus:* [•]] is **equal to or below** the Current Stop Loss Level.]

*[in the case of Securities with a **record day related observation** add the following text:*

[at any time] [at [•] hrs. (local time [•] on [the Valuation Date] [the Final Valuation Date] [•] the Price of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus:* [•]] is **equal to or below** the Current Stop Loss Level.]

[If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a Market Disruption (§ 11 (3)) prevails on any day relevant for the determination of the occurrence of a Stop Loss Event, the Calculation Agent will, at its reasonable discretion and taking into account (i) the market conditions then prevailing and (ii) such other conditions or factors as the Issuer and the Calculation Agent reasonably consider to be relevant, estimate the relevant Price of the Underlying or, if in the applicable Product Terms in the definition of "**Underlying**" a "**Basket**" is specified to be applicable, the relevant Price of the (affected) Basket Component or, if in the applicable Product Terms in the definition of "**Securities**" a "**Consideration of Components**" is specified to be applicable, the relevant price of the affected Component in relation to the occurrence of a Stop Loss Event (which for the avoidance of doubt could be zero (0)) on the basis of the latest Prices of the Underlying or, if in the applicable Product Terms in the definition of "**Underlying**" a "**Basket**" is specified to be applicable, Prices of the Basket Component or, if in the applicable Product Terms in the definition of "**Securities**" a "**Consideration of Components**"

is specified to be applicable, prices of the affected Component available to the Issuer or the Calculation Agent.]

[(Regular trading hours on regular trading days apply.)]

(4) Adjustment of the Stop Loss Level

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Stop Loss Level and, thereafter, any then current Stop Loss Level (each a "**Stop Loss Level**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Stop Loss Level (being current on such Adjustment Date) is referred to as the "**Current Stop Loss Level**":

Financing Level x (100 % + Stop Loss Premium)

(The result commercially rounded to [two] [four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Stop Loss Level, the Financing Level not rounded will be used.

The Current Stop Loss Level will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•] (local time [Amsterdam, the Netherlands / Zurich, Switzerland])] [•]]] [•] on the website of the Issuer at www.turbos.binck.com.

[Whereby:]

["**Adjustment Date**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Adjustment Time**" has the meaning as given to it in § 1 (3) of these Conditions.]

Following the Initial Stop Loss Premium, the "**Stop Loss Premium**" is set on any Adjustment Date to be a value between [•]% [(including)] and [•]% [(including)], as determined at the Calculation Agent's reasonable discretion.]

[The "**Initial Stop Loss Level**" equals [•].]

["**Stop Loss Level Currency**" means [•].]

§ 3

Exercise Procedure; Exercise Notice [; Exercise Date]

(1) Exercise Procedure

The Option Right may in each case [only] be exercised by the Securityholder [every [•]] [, for the first time on [•]] [, following [•]] [daily] [on] [a Banking Day [, which also is [an Underlying] [a Basket Component] Calculation Date,] [within the Exercise Period] [(the) [each an] "**Exercise Date**" [(If [this day] [one of these days] is not an Exchange Business Day, the immediately succeeding Exchange Business Day is deemed to be the relevant Exercise Date.))]] [until the Exercise Time] [(the) [any] Exercise Date] [(with effect as of such Exercise Date)] and in accordance with the exercise procedure described below.

*[In the case of Securities providing for a **Minimum Exercise Size** add the following text:*

(2) Minimum Exercise Size

Except when Automatic Exercise applies, the Option Rights may [, subject to § 2 ([3] [4]) of these Conditions,] only be exercised in a number equal to the Minimum Exercise Size. An exercise of more than the Minimum Exercise Size of the Securities that is not an integral multiple thereof will be deemed to be an exercise of a number of Securities that is equal to the Minimum Exercise Size or the next lowest integral multiple of the Minimum Exercise Size.]

[(2)[3]) Exercise of the Option Rights

For a valid exercise of the Option Rights the following conditions have to be met on the relevant Exercise Date until the Exercise Time:

- (i) The [Paying Agent][Issuer] must receive written and legally signed notice by the Securityholder stating his intention to exercise the Option Right securitised in the Security (the "**Exercise Notice**"). The Exercise Notice is irrevocable and binding and shall contain among other things (a) the name of the Securityholder, (b) an indication of the number of Securities to be exercised and (c) the account of the Securityholder with BinckBank, to which the transfer of the Redemption Amount, if any, shall be effected.
- (ii) the effected transfer of the respective Securities to BinckBank by crediting the Securities to the client securities account maintained by BinckBank with the Settlement Bank.

If these conditions are met after lapse of the Exercise Time on the Exercise Date, the Option Right shall be deemed to be exercised on the immediately succeeding Exercise Date [provided that such day falls within the Exercise Period].]

[(3)[4]) Calculations

Upon exercise of the Option Rights as well as determination of [the Reference Price] [the Settlement Price] of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]*] the Calculation Agent (§ 12 of these Conditions) shall calculate the Redemption Amount payable, if any, either corresponding to the number of Securities actually delivered or to the number of Securities specified in the Exercise Notice, whichever is lower. In case the number of Securities actually delivered is higher than the number of Securities specified in the Exercise Notice, any remaining excess amount with respect to the Securities delivered will be returned to the relevant Securityholder.

[(4)[5]) Exercise by the Issuer

The Issuer shall be entitled [on each [•]] [and] [, for the first time on [•] (including),] and subject to a period of notice of [•], to terminate and redeem the Securities not yet exercised by way of publication pursuant to § 14 of these Conditions on any Exercise Date (such day is referred to as the "**Issuer Exercise Date**"), with effect as of such Issuer Exercise Date.

In the case of a redemption by the Issuer in accordance with the paragraph above, the Issuer shall pay to each Securityholder an amount equal to the Settlement Amount (§ 1 (2) of these Conditions) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (also the "**Redemption Amount**").

(ii) **Turbo's Short:**

§ 1
Option Right

(1) Option Right of the Securityholders

The Issuer hereby warrants to the Securityholder (§ 4 (2) of these Conditions) of each (1) Security relating to the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* in accordance with these Conditions that such Securityholder shall have the right (the "**Option Right**") to receive, subject to the occurrence of a Stop Loss Event in accordance with § 2 of these Conditions, the Settlement Amount (§ 1 (2) of these Conditions) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (the "**Redemption Amount**").

(2) Settlement Amount

The "**Settlement Amount**" is

[, subject to the payment of the Minimum Settlement Amount,] calculated in accordance with the following formula:

[Max [0 .001 ; (Current Financing Level - Settlement Price)]]

[Max [0 .001 ; (Current Financing Level - Reference Price)]]

[Max [0 ; (Current Financing Level - Settlement Price)]]

[Max [0 ; (Current Financing Level - Reference Price)]]

(3) Adjustment of the Financing Level

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Financing Level and, thereafter, any then current financing level (each the "**Financing Level**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Financing Level (being current on such Adjustment Date) is referred to as "**Current Financing Level**":

$$\left[FLevel_{(Old)} + \left(\frac{(Rate - FSpread \times FLevel_{(Old)} \times n)}{360} \right) - (Dividend \times DivFactor) \right]$$

$$\left[FLevel_{(Old)} + \left(\frac{(Rate - FSpread \times FLevel_{(Old)} \times n)}{360} \right) \right]$$

(The result commercially rounded to [two] [four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Financing Level, $FLevel_{(Old)}$ not rounded will be used.

The Current Financing Level will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•] hrs (local time [Amsterdam,

the Netherlands] [Zurich, Switzerland]] [•]]) [•] on the website of the Issuer at www.turbos.binck.com.

[Whereby:]

"Adjustment Date" means [•]. [If this day is not [Exchange Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•], the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Adjustment Date.]]

"Adjustment Time" means [•].]

"Initial Financing Level" equals [•].]

"FLevel_(old)" means the Financing Level on any Adjustment Date prior to the adjustment.

Following the Initial Financing Spread, **"FSpread"** means the financing spread, which is set on any Adjustment Date to be a value between [•]% [(including)] and [•]% [(including)], as determined at the Calculation Agent's reasonable discretion. The **"Initial Financing Spread"** equals [•]%.]

"Rate" means [•] [the prevailing rate for deposits in the Financing Level Currency (London Interbank Offered Rate (*LIBOR*)) as determined by the Calculation Agent at its reasonable discretion on the relevant Adjustment Date].]

If (i) the Rate is no longer displayed or is discontinued permanently without an official legal successor rate or (ii) the administrator of the relevant rate fails to obtain or maintain any necessary approvals or registrations, the Issuer is entitled to replace the Rate by another interest rate, representing, at the reasonable discretion of the Calculation Agent, an economically comparable concept, (the **"Successor Rate"**). The Successor Rate and the date it is applied for the first time shall be published without undue delay by way of publication pursuant to § 14 of these Conditions.])

"Dividend" (if applicable) means [•] [dividend or similar payments, as determined by the Calculation Agent at its reasonable discretion, distributed to hypothetical holders of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]*, whereby the *ex-dividend day* of such payment on the Relevant Exchange is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•]].]

"DivFactor" (if applicable) means [•] [a dividend factor, which reflects any taxation applied on dividends. On any Adjustment Date, the DivFactor is determined at the Calculation Agent's reasonable discretion to be a value between 0 % (including) and 100 % (including)].]

"n" means the number of calendar days from the current Adjustment Date (excluding) to the immediately succeeding Adjustment Date (including).]

"Financing Level Currency" means [•].]

(4) Determinations and Calculations in connection with the Option Right

Any determinations and calculations in connection with the Option Right, in particular the calculation of the Redemption Amount, will be made by the Calculation Agent. Determinations and calculations made in this respect by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

§ 2 Stop Loss Event

(1) Consequences of the occurrence of a Stop Loss Event

If a **Stop Loss Event** (§ 2 (3) of these Conditions) **occurs**, the Option Right expires on such day (the "**Stop Loss Expiration Date**") and the Securities become invalid. In this case, the Securityholder is entitled to receive with respect to each Security it holds the Stop Loss Redemption Amount (§ 2 (2) of these Conditions) in the Redemption Currency (also the "**Redemption Amount**").

(2) Stop Loss Redemption Amount

The "**Stop Loss Redemption Amount**" means [, subject to the payment of the Minimum Settlement Amount,] an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion [, considering the hedging transactions of the Issuer with the Hedging Counterparty,] [as the fair market price of a Security] on the Stop Loss Expiration Date].

(3) Occurrence of Stop Loss Event

A "**Stop Loss Event**" shall occur, if

*[in the case of Securities with a **period related observation** add the following text:*

[at any time] [during] [the Term of the Securities] [following] [the Fixing Date] [the Issue Date] [the Start of the public offer of the Securities] [•]] the Price of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus:* [•]] is **equal to or above** the Current Stop Loss Level.]

*[in the case of Securities with a **record day related observation** add the following text:*

[at any time] [at [•] hrs. (local time [•] on [the Valuation Date] [the Final Valuation Date] [•] the Price of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus:* [•]] is **equal to or above** the Current Stop Loss Level.]

[If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a Market Disruption (§ 11 (3)) prevails on any day relevant for the determination of the occurrence of a Stop Loss Event, the Calculation Agent will, at its reasonable discretion and taking into account (i) the market conditions then prevailing and (ii) such other conditions or factors as the Issuer and the Calculation Agent reasonably consider to be relevant, estimate the relevant Price of the Underlying or, if in the applicable Product Terms in the definition of "**Underlying**" a "**Basket**" is specified to be applicable, the relevant Price of the (affected) Basket Component or, if in the applicable Product Terms in the definition of "**Securities**" a "**Consideration of Components**" is specified to be applicable, the relevant price of the affected Component in relation to the occurrence of a Stop Loss Event (which for the avoidance of doubt could be zero (0)) on the basis of the latest Prices of the Underlying or, if in the applicable Product Terms in the definition of "**Underlying**" a "**Basket**" is specified to be applicable, Prices of the Basket Component or, if in the applicable Product Terms in the definition of "**Securities**" a "**Consideration of Components**" is specified to be applicable, prices of the affected Component available to the Issuer or the Calculation Agent.]

[(Regular trading hours on regular trading days apply.)]

(4) Adjustment of the Stop Loss Level

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Stop Loss Level and, thereafter, any then current Stop Loss Level (each a "**Stop Loss Level**") is adjusted by the Calculation

Agent in accordance with the following formula, whereby the so adjusted new Stop Loss Level (being current on such Adjustment Date) is referred to as the "**Current Stop Loss Level**":

Financing Level x (100 % - Stop Loss Premium)

(The result commercially rounded to [two] [four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Stop Loss Level, the Financing Level not rounded will be used.

The Current Stop Loss Level will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•] hrs (local time [Amsterdam, the Netherlands / Zurich, Switzerland]) [•]]] [•] on website of the Issuer at www.turbos.binck.com.

[Whereby:]

"**Adjustment Date**" has the meaning as given to it in § 1 (3) of these Conditions.]

[Following the Initial Stop Loss Premium, the "**Stop Loss Premium**" is set on any Adjustment Date to be a value between [•]% [(including)] and [•]% [(including)], as determined at the Calculation Agent's reasonable discretion.]

[The "**Initial Stop Loss Level**" equals [•].]

["**Stop Loss Level Currency**" means [•].]

§ 3

Exercise Procedure; Exercise Notice [; Exercise Date]

(1) Exercise Procedure

The Option Right may in each case [only] be exercised by the Securityholder [every [•]] [, for the first time on [•]] [, following [•]] [daily] [on] [a Banking Day [, which also is [an Underlying] [a Basket Component] Calculation Date,] [within the Exercise Period] [(the) [each an] "**Exercise Date**" [(If [this day] [one of these days] is not an Exchange Business Day, the immediately succeeding Exchange Business Day is deemed to be the relevant Exercise Date.))]] [until the Exercise Time] [(the) [any] Exercise Date] [(with effect as of such Exercise Date)] and in accordance with the exercise procedure described below.

*[in the case of Securities providing for a **Minimum Exercise Size** add the following text:*

(2) Minimum Exercise Size

Except when Automatic Exercise applies, the Option Rights may [, subject to § 2 ([3] [4]) of these Conditions,] only be exercised in a number equal to the Minimum Exercise Size. An exercise of more than the Minimum Exercise Size of the Securities that is not an integral multiple thereof will be deemed to be an exercise of a number of Securities that is equal to the Minimum Exercise Size or the next lowest integral multiple of the Minimum Exercise Size.]

[(2)][3] Exercise of the Option Rights

For a valid exercise of the Option Rights the following conditions have to be met on the relevant Exercise Date until the Exercise Time:

- (i) The [Paying Agent][Issuer] must receive written and legally signed notice by the Securityholder stating his intention to exercise the Option Right securitised in the Security (the "**Exercise Notice**"). The Exercise Notice is irrevocable and binding and shall contain among other things (a) the name of the Securityholder, (b) an indication of the number of Securities to be exercised and (c) the account of the Securityholder with BinckBank, to which the transfer of the Redemption Amount, if any, shall be effected.
- (ii) the effected transfer of the respective Securities to BinckBank by crediting the Securities to the client securities account maintained by BinckBank with the Settlement Bank.

If these conditions are met after lapse of the Exercise Time on the Exercise Date, the Option Right shall be deemed to be exercised on the immediately succeeding Exercise Date [provided that such day falls within the Exercise Period].]

[(3)[4]) Calculations

Upon exercise of the Option Rights as well as determination of [the Reference Price] [the Settlement Price] of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]*] the Calculation Agent (§ 12 of these Conditions) shall calculate the Redemption Amount payable, if any, either corresponding to the number of Securities actually delivered or to the number of Securities specified in the Exercise Notice, whichever is lower. In case the number of Securities actually delivered is higher than the number of Securities specified in the Exercise Notice, any remaining excess amount with respect to the Securities delivered will be returned to the relevant Securityholder.

[(4)[5]) Exercise by the Issuer

The Issuer shall be entitled [on each [•]] [and] [, for the first time on [•] (including),] and subject to a period of notice of [•], to terminate and redeem the Securities not yet exercised by way of publication pursuant to § 14 of these Conditions on any Exercise Date (such day is referred to as the "**Issuer Exercise Date**"), with effect as of such Issuer Exercise Date.

In the case of a redemption by the Issuer in accordance with the paragraph above, the Issuer shall pay to each Securityholder an amount equal to the Settlement Amount (§ 1 (2) of these Conditions) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (also the "**Redemption Amount**").

(iii) Turbo's XL Long:

§ 1
Option Right

(1) Option Right of the Securityholders

The Issuer hereby warrants to the Securityholder (§ 4 (2) of these Conditions) of each (1) Security relating to the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* in accordance with these Conditions that such Securityholder shall have the right (the "**Option Right**") to receive, **subject** to the occurrence of a Knock Out Event in accordance with § 2 of these Conditions, the Settlement Amount (§ 1 (2) of these Conditions) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (the "**Redemption Amount**").

(2) Settlement Amount

The "**Settlement Amount**" is

[, subject to the payment of the Minimum Settlement Amount,] calculated in accordance with the following formula:

$$\left[\begin{array}{l} \text{Max} \quad [0 ; (\text{Settlement} \quad \text{Price} - \text{Current} \quad \text{Strike} \quad)] \end{array} \right]$$

$$\left[\begin{array}{l} \text{Max} \quad [0 ; (\text{Reference} \quad \text{Price} - \text{Current} \quad \text{Strike} \quad)] \end{array} \right]$$

$$\left[\begin{array}{l} \text{Max} \quad [0 ; (\text{Settlement} \quad \text{Price} - \text{Current} \quad \text{Strike} \quad)] \end{array} \right]$$

$$\left[\begin{array}{l} \text{Max} \quad [0 ; (\text{Reference} \quad \text{Price} - \text{Current} \quad \text{Strike} \quad)] \end{array} \right]$$

(3) Adjustment of the Strike

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Strike and, thereafter, any then current strike (each the "**Strike**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Strike (being current on such Adjustment Date) is referred to as "**Current Strike**":

$$\left[\begin{array}{l} \text{Strike}_{(\text{Old})} + \left(\frac{(\text{Rate} + \text{FSpread}) \times \text{Strike}_{(\text{Old})} \times n}{360} \right) - (\text{Dividend} \times \text{DivFactor}) + \text{DividendCosts} \end{array} \right]$$

$$\left[\begin{array}{l} \text{Strike}_{(\text{Old})} + \left(\frac{(\text{Rate} + \text{FSpread}) \times \text{Strike}_{(\text{Old})} \times n}{360} \right) \end{array} \right]$$

(the result commercially rounded to [two][four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Strike, $\text{Strike}_{(\text{Old})}$ not rounded will be used.

The Current Strike will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•]hrs (local time [•])] [•] on the website of the Issuer at www.turbos.binck.com.

[Whereby:]

["**Adjustment Date**" means [•]. [If this day is not [Exchange Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•], the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Adjustment Date.]]

["**Adjustment Time**" means [•].]

["**Initial Strike**" equals [•].]

["**Strike_(old)**" means the Strike on any Adjustment Date prior to the adjustment

Following the Initial Financing Spread, "**FSpread**" means the financing spread, which is set on any Adjustment Date to be a value between [•]% [(including)] and [•]% [(including)], as determined at the Calculation Agent's reasonable discretion. The "**Initial Financing Spread**" equals [•].]

["**Rate**" means [•] [the prevailing rate for deposits in the Financing Level Currency (London Interbank Offered Rate (*LIBOR*)) as determined by the Calculation Agent at its reasonable discretion on the relevant Adjustment Date].

If (i) the Rate is no longer displayed or is discontinued permanently without an official legal successor rate or (ii) the administrator of the relevant rate fails to obtain or maintain any necessary approvals or registrations, the Issuer is entitled to replace the Rate by another interest rate, representing, at the reasonable discretion of the Calculation Agent, an economically comparable concept, (the "**Successor Rate**"). The Successor Rate and the date it is applied for the first time shall be published without undue delay by way of publication pursuant to § 14 of these Conditions.])

["**Dividend**" (if applicable) means [•] [dividend or similar payments, as determined by the Calculation Agent at its reasonable discretion, distributed to hypothetical holders of [the Underlying] *if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]*], whereby the *ex dividend day* of such payment on the Relevant Exchange is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•]].]

["**Dividend Costs**" (applicable only on case of performance indices as Underlying or, as the case may be, Basket Component) means an amount, which increases following [the relevant Adjustment Date] [·], on which the relevant share of the company included in [the Underlying] *if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [·]* is traded "*ex dividend*", [the Financing Level_(old)] [the Strike_(old) or, as the case may be, the Knock-Out Barrier_(old)] [, provided that this *ex dividend day* is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [·]]. The Dividend Costs are determined at Calculation Agent's reasonable discretion as being those taxes or other charges and costs, which are levied in the context of the distribution of the dividends [by way of any withholdings] [, to the extent that these may not be credited.][[•]]"

["**DivFactor**" (if applicable) means [•] [a dividend factor, which reflects any taxation applied on dividends. On any Adjustment Date, the Dividend Factor is determined at the Calculation Agent's reasonable discretion to be a value between 0 % (including) and 100 % (including)].]

["**n**" means the number of calendar days from the current Adjustment Date (excluding) to the immediately succeeding Adjustment Date (including).]

["**Strike Currency**" means [•].]

(4) Determinations and Calculations in connection with the Option Right

Any determinations and calculations in connection with the Option Right, in particular the calculation of the Redemption Amount, will be made by the Calculation Agent. Determinations and calculations made in this respect by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

§ 2 Knock Out Event

(1) Consequences of the occurrence of a Knock Out Event

If a **Knock Out Event** (§ 2 (2) of these Conditions) **occurs**, the Option Right expires worthless on such day (the "**Knock Out Expiration Date**") and the Securities become invalid.

(2) Occurrence of a Knock Out Event

A "**Knock Out Event**" shall occur, if

*[in the case of Securities with a **period related observation** add the following text:*

[at any time] [during] [the Term of the Securities] [following] [the Fixing Date] [the Issue Date] [the Start of the public offer of the Securities] [•]] the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is **equal to or below** the Current Knock Out Barrier.]

*[in the case of Securities with a **record day related observation** add the following text:*

[at any time] [at [•] hrs. (local time) on [the Valuation Date] [the Final Valuation Date] [•] the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is **equal to or below** the Current Knock Out Barrier.]

[(Regular trading hours on regular trading days apply.)]

(3) Adjustment of the Knock Out Barrier

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Knock Out Barrier and, thereafter, any then current Knock Out Barrier (each a "**Knock Out Barrier**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Knock Out Barrier (being current on such Adjustment Date) is referred to as the "**Current Knock Out Barrier**":

$$\left[KOB_{(Old)} + \left(\frac{(Rate + FSpread) \times KOB_{(Old)} \times n}{360} \right) - (Dividend \times DivFactor) \right] [+ Dividend Costs]$$

$$\left[KOB_{(Old)} + \left(\frac{(Rate + FSpread) \times KOB_{(Old)} \times n}{360} \right) \right]$$

(the result commercially rounded to [two][four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Knock Out Barrier, $KOB_{(Old)}$ not rounded will be used.

The Current Knock Out Barrier will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•] hrs (local time [•])]] [•] on the website of the Issuer at www.turbos.binck.com.

[Whereby:]

["**Adjustment Date**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Adjustment Time**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Initial Knock Out Barrier**" equals [•].]

["**KOB_(old)**" means the Knock Out Barrier on any Adjustment Date prior to the adjustment.]

["**FSpread**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Rate**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Dividend**" (if applicable) has the meaning as given to it in § 1 (3) of these Conditions.]

["**Dividend Costs**" (if applicable) has the meaning as given to it in § 1 (3) of these Conditions.]

["**DivFactor**" (if applicable) has the meaning as given to it in § 1 (3) of these Conditions.]

["**n**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Currency of the Knock Out Barrier**" means [•].]

§ 3

Exercise Procedure; Exercise Notice [; Exercise Date]

(1) Exercise Procedure

The Option Right may in each case [only] be exercised by the Securityholder [every [•]] [, for the first time on [•]] [, following [•]] [daily] [on] [a Banking Day [, which also is [an Underlying] [a Basket Component] Calculation Date,] [within the Exercise Period] [(the) [each an] "**Exercise Date**" [(If [this day] [one of these days] is not an Exchange Business Day, the immediately succeeding Exchange Business Day is deemed to be the relevant Exercise Date.))]] [until the Exercise Time] [(the) [any] Exercise Date] [(with effect as of such Exercise Date)] and in accordance with the exercise procedure described below.

*[in the case of Securities providing for a **Minimum Exercise Size** add the following text:*

(2) Minimum Exercise Size

Except when Automatic Exercise applies, the Option Rights may [, subject to § 2 ([3] [4]) of these Conditions,] only be exercised in a number equal to the Minimum Exercise Size. An exercise of more than the Minimum Exercise Size of the Securities that is not an integral multiple thereof will be deemed to be an exercise of a number of Securities that is equal to the Minimum Exercise Size or the next lowest integral multiple of the Minimum Exercise Size.]

[(2)[3]) Exercise of the Option Rights

For a valid exercise of the Option Rights the following conditions have to be met on the relevant Exercise

Date until the Exercise Time:

- (i) [The Paying Agent][The Issuer] must receive written and legally signed notice by the Securityholder stating his intention to exercise the Option Right securitised in the Security (the "**Exercise Notice**"). The Exercise Notice is irrevocable and binding and shall contain among other things (a) the name of the Securityholder, (b) an indication of the number of Securities to be exercised and (c) the account of the Securityholder with BinckBank, to which the transfer of the Redemption Amount, if any, shall be effected.
- (ii) the effected transfer of the respective Securities to BinckBank by crediting the Securities to the client securities account maintained by BinckBank with the Settlement Bank.

If these conditions are met after lapse of the Exercise Time on the Exercise Date, the Option Right shall be deemed to be exercised on the immediately succeeding Exercise Date [provided that such day falls within the Exercise Period.]

((3)[4]) Calculations

Upon exercise of the Option Rights as well as determination of [the Reference Price] [the Settlement Price] of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* the Calculation Agent (§ 12 of these Conditions) shall calculate the Redemption Amount payable, if any, either corresponding to the number of Securities actually delivered or to the number of Securities specified in the Exercise Notice, whichever is lower. In case the number of Securities actually delivered is higher than the number of Securities specified in the Exercise Notice, any remaining excess amount with respect to the Securities delivered will be returned to the relevant Securityholder.

((4)[5]) Exercise by the Issuer

The Issuer shall be entitled [on each [•]] [and] [, for the first time on [•] (including),] and subject to a period of notice of [•], to terminate and redeem the Securities not yet exercised by way of publication pursuant to § 14 of these Conditions on any Exercise Date (such day is referred to as the "**Issuer Exercise Date**"), with effect as of such Issuer Exercise Date.

In the case of a redemption by the Issuer in accordance with the paragraph above, the Issuer shall pay to each Securityholder an amount equal to the Settlement Amount (§ 1 (2) of these Conditions) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (also the "**Redemption Amount**").

(iv) Turbo's XL Short:

§ 1
Option Right

(1) Option Right of the Securityholders

The Issuer hereby warrants to the Securityholder (§ 4 (2) of these Conditions) of each (1) Security relating to the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* in accordance with these Conditions that such Securityholder shall have the right (the "**Option Right**") to receive, subject to the occurrence of a Knock Out Event in accordance with § 2 of these Conditions, the Settlement Amount (§ 1 (2) of these Conditions) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (the "**Redemption Amount**").

(2) Settlement Amount

The "**Settlement Amount**" is

[, subject to the payment of the Minimum Settlement Amount,] calculated in accordance with the following formula:

$$\begin{aligned} & \left[\text{Max} \left[0 ; \left(\text{Current Strike} - \text{Settlement Price} \right) \right] \right] \\ & \left[\text{Max} \left[0 ; \left(\text{Current Strike} - \text{Reference Price} \right) \right] \right] \\ & \left[\text{Max} \left[0 ; \left(\text{Current Strike} - \text{Settlement Price} \right) \right] \right] \\ & \left[\text{Max} \left[0 ; \left(\text{Current Strike} - \text{Reference Price} \right) \right] \right] \end{aligned}$$

(3) Adjustment of the Strike

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Strike and, thereafter, any then current strike (each the "**Strike**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Strike (being current on such Adjustment Date) is referred to as "**Current Strike**":

$$\begin{aligned} & \left[\text{Strike}_{(\text{Old})} + \left(\frac{(\text{Rate} - \text{FSpread}) \times \text{Strike}_{(\text{Old})} \times n}{360} \right) - (\text{Dividend} \times \text{DivFactor}) \right] \\ & \left[\text{Strike}_{(\text{Old})} + \left(\frac{(\text{Rate} - \text{FSpread}) \times \text{Strike}_{(\text{Old})} \times n}{360} \right) \right] \end{aligned}$$

(the result commercially rounded to [two][four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Strike, $\text{Strike}_{(\text{Old})}$ not rounded will be used.

The Current Strike will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•] hrs (local time [•])]] [•] on the website of the Issuer at www.turbos.binck.com.

[Whereby:]

["**Adjustment Date**" means [•]. [If this day is not [Exchange Business Day] [[an Underlying] [a Basket Component] Calculation Date] [•], the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•] is the relevant Adjustment Date.]]

["**Adjustment Time**" means [•].]

["**Initial Strike**" equals [•].]

["**Strike**_(old)" means the Strike on any Adjustment Date prior to the adjustment

Following the Initial Financing Spread, "**FSpread**" means the financing spread, which is set on any Adjustment Date to be a value between [•]% [(including)] and [•]% [(including)], as determined at the Calculation Agent's reasonable discretion. The "**Initial Financing Spread**" equals [•].%

["**Rate**" means [•] [the prevailing rate for deposits in the Financing Level Currency (London Interbank Offered Rate (*LIBOR*)) as determined by the Calculation Agent at its reasonable discretion on the relevant Adjustment Date].]

If (i) the Rate is no longer displayed or is discontinued permanently without an official legal successor rate or (ii) the administrator of the relevant rate fails to obtain or maintain any necessary approvals or registrations, the Issuer is entitled to replace the Rate by another interest rate, representing, at the reasonable discretion of the Calculation Agent, an economically comparable concept, (the "**Successor Rate**"). The Successor Rate and the date it is applied for the first time shall be published without undue delay by way of publication pursuant to § 14 of these Conditions.])

["**Dividend**" (if applicable) means [•] [dividend or similar payments, as determined by the Calculation Agent at its reasonable discretion, distributed to hypothetical holders of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]*, whereby the *ex dividend day* of such payment on the Relevant Exchange is between the current and the immediately succeeding [Exchange Business Day] [[Underlying] [Basket Component] Calculation Date] [•].]

["**DivFactor**" (if applicable) means [•] [a dividend factor, which reflects any taxation applied on dividends. On any Adjustment Date, the Dividend Factor is determined at the Calculation Agent's reasonable discretion to be a value between 0 % (including) and 100 % (including)].]

["**n**" means the number of calendar days from the current Adjustment Date (excluding) to the immediately succeeding Adjustment Date (including).]

["**Strike Currency**" means [•].]

(4) Determinations and Calculations in connection with the Option Right

Any determinations and calculations in connection with the Option Right, in particular the calculation of the Redemption Amount, will be made by the Calculation Agent. Determinations and calculations made in this respect by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

§ 2 Knock Out Event

(1) Consequences of the occurrence of a Knock Out Event

If a **Knock Out Event** (§ 2 (2) of these Conditions) **occurs**, the Option Right expires worthless on such day

(the "**Knock Out Expiration Date**") and the Securities become invalid.

(2) Occurrence of a Knock Out Event

A "**Knock Out Event**" shall occur, if

*[in the case of Securities with a **period related observation** add the following text:*

[at any time] [during] [the Term of the Securities] [following] [the Fixing Date] [the Issue Date] [the Start of the public offer of the Securities] [•] the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is **equal to or above** the Current Knock Out Barrier.]

*[in the case of Securities with a **record day related observation** add the following text:*

[at any time] [at [•] hrs. (local time [•]) on [the Valuation Date] [the Final Valuation Date] [•] the Price of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* is **equal to or above** the Current Knock Out Barrier.]

[(Regular trading hours on regular trading days apply.)]

(3) Adjustment of the Knock Out Barrier

On each Adjustment Date and coming into effect at the Adjustment Time, the Initial Knock Out Barrier and, thereafter, any then current Knock Out Barrier (each a "**Knock Out Barrier**") is adjusted by the Calculation Agent in accordance with the following formula, whereby the so adjusted new Knock Out Barrier (being current on such Adjustment Date) is referred to as the "**Current Knock Out Barrier**":

$$\left[KOB_{(Old)} + \left(\frac{(Rate - FSpread) \times KOB_{(Old)} \times n}{360} \right) - (Dividend \times DivFactor) \right]$$

$$\left[KOB_{(Old)} + \left(\frac{(Rate - FSpread) \times KOB_{(Old)} \times n}{360} \right) \right]$$

(the result commercially rounded to [two][four] [•] decimal places)

For the avoidance of doubt: For the calculation of the respective subsequent Current Knock Out Barrier, $KOB_{(Old)}$ not rounded will be used.

The Current Knock Out Barrier will be published [on the Exchange Business Day immediately succeeding the Adjustment Date before the start of trading] [on the Adjustment Date [at [•]hrs (local time [•])]] [•] on the website of the Issuer at www.turbos.binck.com.

[Whereby:]

["**Adjustment Date**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Adjustment Time**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Initial Knock Out Barrier**" equals [•].]

[" $KOB_{(Old)}$ " means the Knock Out Barrier on any Adjustment Date prior to the adjustment.]

["**FSpread**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Rate**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Dividend**" (if applicable) has the meaning as given to it in § 1 (3) of these Conditions.]

["**DivFactor**" (if applicable) has the meaning as given to it in § 1 (3) of these Conditions.]

["**n**" has the meaning as given to it in § 1 (3) of these Conditions.]

["**Currency of the Knock Out Barrier**" means [•].]

§ 3

Exercise Procedure; Exercise Notice [; Exercise Date]

(1) Exercise Procedure

The Option Right may in each case [only] be exercised by the Securityholder [every [•]] [, for the first time on [•]] [, following [•]] [daily] [on] [a Banking Day [, which also is [an Underlying] [a Basket Component] Calculation Date,] [within the Exercise Period] [(the) [each an] "**Exercise Date**" [(If [this day] [one of these days] is not an Exchange Business Day, the immediately succeeding Exchange Business Day is deemed to be the relevant Exercise Date.))]] [until the Exercise Time] [(the) [any] Exercise Date] [(with effect as of such Exercise Date)] and in accordance with the exercise procedure described below.

*[in the case of Securities providing for a **Minimum Exercise Size** add the following text:*

(2) Minimum Exercise Size

Except when Automatic Exercise applies, the Option Rights may [, subject to § 2 ([3] [4]) of these Conditions,] only be exercised in a number equal to the Minimum Exercise Size. An exercise of more than the Minimum Exercise Size of the Securities that is not an integral multiple thereof will be deemed to be an exercise of a number of Securities that is equal to the Minimum Exercise Size or the next lowest integral multiple of the Minimum Exercise Size.]

[(2)[3]) Exercise of the Option Rights

For a valid exercise of the Option Rights the following conditions have to be met on the relevant Exercise Date until the Exercise Time:

- (i) [The Paying Agent] [The Issuer] must receive written and legally signed notice by the Securityholder stating his intention to exercise the Option Right securitised in the Security (the "**Exercise Notice**"). The Exercise Notice is irrevocable and binding and shall contain among other things (a) the name of the Securityholder, (b) an indication of the number of Securities to be exercised and (c) the account of the Securityholder with BinckBank, to which the transfer of the Redemption Amount, if any, shall be effected.
- (ii) the effected transfer of the respective Securities to BinckBank by crediting the Securities to the client securities account maintained by BinckBank with the Settlement Bank.

If these conditions are met after lapse of the Exercise Time on the Exercise Date, the Option Right shall be deemed to be exercised on the immediately succeeding Exercise Date [provided that such day falls within the Exercise Period.]

([3][4]) Calculations

Upon exercise of the Option Rights as well as determination of [the Reference Price] [the Settlement Price] of [the Underlying] *[if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [•]]* the Calculation Agent (§ 12) shall calculate the Redemption Amount payable, if any, either corresponding to the number of Securities actually delivered or to the number of Securities specified in the Exercise Notice, whichever is lower. In case the number of Securities actually delivered is higher than the number of Securities specified in the Exercise Notice, any remaining excess amount with respect to the Securities delivered will be returned to the relevant Securityholder.

([4][5]) Exercise by the Issuer

The Issuer shall be entitled [on each [•]] [and] [, for the first time on [•] (including),] and subject to a period of notice of [•], to terminate and redeem the Securities not yet exercised by way of publication pursuant to § 14 of these Conditions on any Exercise Date (such day is referred to as the "**Issuer Exercise Date**"), with effect as of such Issuer Exercise Date.

In the case of a redemption by the Issuer in accordance with the paragraph above, the Issuer shall pay to each Securityholder an amount equal to the Settlement Amount (§ 1 (2)) [, converted into the Redemption Currency,] [multiplied by [the Leverage Factor] [the Multiplier] [, expressed as a decimal number,]] [and] commercially rounded to [two] [•] decimal places (also the "**Redemption Amount**").

3. General Conditions of the Securities

The following "**General Conditions**" of the Securities must be read in their entirety together with the section "**Product Terms**" in the Base Prospectus.

The Product Terms shall in the relevant Final Terms amend and put in concrete terms the General Conditions of the Securities for the purposes of the relevant Securities.

The Product Terms and the General Conditions together constitute the "**Conditions**" of the relevant Securities.

Terms not otherwise defined in these General Conditions shall have the meaning given in the applicable Product Terms.

The Conditions are subject to adjustment in accordance with §§ 6 (a) – (k) of the Conditions.

Summarised Contents of the General Conditions

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§ 4	<i>Form of Securities; Title and Transfer; Status</i>
§ 5	<i>Settlement</i>
§ 6 (a) - (n)	<i>Adjustments for Securities on Baskets; adjustments in connection with Shares, certificates representing shares, Non-Equity Securities, Commodities, Precious Metals, Indices, exchange traded Fund Units, Fund Units, Futures Contracts, Interest Rates, Currency Exchange Rates and Reference Rates; Benchmark Adjustments</i>
§ 7	<i>Adjustments due to the European Economic and Monetary Union</i>
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§ 9	<i>Extraordinary Termination Right of the Securityholders</i>
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§ 15	<i>Issue of further Securities; Purchase of Securities; Cancellation</i>
§ 16	<i>Intentionally left blank</i>
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§ 20	<i>Intentionally left blank</i>

§ 21 *Intentionally left blank*

§ 4

Form of Securities; Title and Transfer; Status

(1) Form of Securities

The Securities qualify as securities (*effecten*) within the meaning of Section 1:1 of the DFSA.

The Securities will be treated as dematerialised book-entry form securities pursuant to the Swiss Federal Intermediated Securities Act (FISA).

(2) Securityholder; Title and Transfer

"**Securityholder**" means any holder who is a holder of a Security according to the records of BinckBank.

A Securityholder can only be a customer of BinckBank who (i) holds a brokerage account with BinckBank, and (ii) is a resident of a Relevant Member State.

The Securityholder shall, for all purposes, be treated by the Issuer and the Security Agents (§ 12 (1) of these Conditions) as the person entitled to such Securities and the person entitled to receive the benefits of the rights represented by such Securities.

Securityholders will only be able to buy or sell Securities by placing orders with BinckBank, and transactions in the Securities will only take place between the Issuer and the Securityholder.

(3) Status of the Securities

The Securities constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.

§ 5

**Settlement; Conversion Rate;
Period of Presentation; Prescription**

(1) Settlement of the Securities

The Securities will, subject to a Market Disruption (§ 11 of these Conditions), be redeemed on the relevant Redemption Date by payment of (i) the Redemption Amount, (ii) the Termination Amount, (iii) if in the applicable Product Terms in the definition of "Securities" the product feature "**Securityholder's Extraordinary Termination Right**" is specified to be applicable, the Securityholder Termination Amount, or (iv) any other amount payable under the Conditions in relation to the relevant Redemption Date in the Redemption Currency.

BinckBank holds with the Settlement Bank:

- (i) a securities account or security accounts (the "**Client Securities Account**") in the name of BinckBank, which Client Securities Account will hold the Securities in book-entry form for the account of the Securityholders, and
- (ii) a cash account or cash accounts (the "**Client Cash Account**") in the name of BinckBank for settlement of cash flows relating to the Securities in the Client Securities Account.

The Settlement Bank will settle all trades in the Securities by way of corresponding book-entries in the Client Securities Account, and the Settlement Bank will make corresponding and simultaneous cash debits or credits in the Client Cash Account.

Upon a settlement of a trade in the Securities by way of a book-entry in the Client Securities Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous book-entry in the securities account of the relevant Securityholder with BinckBank.

Upon a cash debit or credit in the Client Cash Account by the Settlement Bank, BinckBank will make a corresponding and simultaneous cash debit or credit in the cash account of the relevant Securityholder with BinckBank.

(2) Conversion into the Redemption Currency

If in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion;**" is specified to be applicable, any conversion of amounts payable under these Conditions into the Redemption Currency is made by the Calculation Agent using the Relevant Conversion Rate.

(3) *Intentionally left blank*

(4) *Intentionally left blank*

(5) Taxes, charges and/or expenses

All taxes, charges and/or expenses, if any, incurred in connection with the redemption of the Securities or any other payment or delivery obligations under these Conditions of the Securities shall be borne and paid by the relevant Securityholder. The Issuer and the Paying Agent, as the case may be, are entitled, but not obliged, to withhold from any required performance under these Conditions such taxes, charges and/or expenses as be paid by the Securityholder in accordance with the preceding sentence.

Only if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the following § 6 (a) of these Conditions applies:

§ 6 (a)

Adjustments for Securities on Baskets; Successor Basket Component

If in relation to a Basket Component an adjustment (as described in these Conditions) is necessary, the Issuer shall (in addition to the adjustments pursuant to these Conditions in relation to each Basket Component) be entitled, but not obliged, to either:

- (i) remove at its reasonable discretion the respective Basket Component without replacement from the Basket (if applicable by adjusting the weighting of the remaining Basket Components), or
- (ii) replace at its reasonable discretion the Basket Component in whole or in part by a new Basket Component (if applicable by adjusting the weighting of the Basket Components then present) (the "**Successor Basket Component**").

In such case, the Successor Basket Component will be deemed to be the Basket Component and each reference in these Conditions to the Basket Component shall be deemed to refer to the Successor Basket Component.

Only in case of a **share as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (b) of these Conditions applies:

§ 6 (b)

Adjustments in connection with a Share

(1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (b)(2) of these Conditions), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the share used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Record Date (as defined below) is prior to or on the Valuation Date or the Final Valuation Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be made by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Record Date**" means the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

(2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any measure in relation to the Share, which gives reason, or would give reason, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the Strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the stock exchange, relevant for the calculation and determination of the price of the Underlying.

Potential Adjustment Events are, *in particular*, but not limited to, the following measures, whereas, subject to § 6(b)(3) of these Conditions, the *de facto* or hypothetical decision of the Relevant Futures and Options Exchange that a Potential Adjustment Event has occurred is conclusive:

- (i) The stock corporation, the share(s) of which is/are used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, (the "**Company**") increases its share capital against deposits/contributions granting a direct or indirect subscription right to its shareholders, capital increase out of the Company's own funds, through the issuance of new shares, directly or indirectly granting a right to its shareholders to subscribe for bonds or other securities with option or conversion rights to shares.
- (ii) The Company decreases its share capital through cancellation or combination of shares of the Company. No Potential Adjustment Event shall occur, if the capital decrease is effected by way of reduction of the nominal amount of the shares of the Company.
- (iii) The Company grants exceptionally high dividends, bonuses or other cash or non-cash distributions ("**Special Distributions**") to its shareholders. The distributions of regular dividends, which do not constitute Special Distributions, do not create any Potential Adjustment Event. With regard to the differentiation between regular dividends and Special Distributions, the differentiation made by the Relevant Futures and Options Exchange shall prevail.
- (iv) The Company performs a stock split (reduction of the nominal amount and corresponding increase in

the number of shares without a change in the share capital) or a similar measure.

- (v) An offer is made to the shareholders of the Company pursuant to the law of the jurisdiction applicable to and governing the Company to convert existing shares of the Company to new shares or to shares of another stock corporation.
- (vi) A take-over of shares of the Company takes place by a shareholder in the course of a tender offer in accordance with the law of the jurisdiction applicable to and governing the Company.
- (vii) The Company spins off any part of the Company so that a new independent enterprise is created or any part of the Company is absorbed by a third company, the Company's shareholders are granted shares in the new company or the absorbing company free of charge or at a price below the market price and therefore a market price or price quotation may be determined for the shares granted to the shareholders.
- (viii) The quotation of or trading in the shares of the Company on the Relevant Exchange is permanently discontinued due to a merger or a new company formation, or for any other comparable reason, in particular as a result of a delisting of the Company. The Issuer's right of termination in accordance with § 8 of these Conditions remains unaffected.

The provisions set out above shall apply *mutatis mutandis* to events other than those mentioned above, if the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the economic effects of these events are comparable and may have an impact on the calculational value of the shares.

(3) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose of reconstituting to the extent possible the Securityholders' economic status prior to the measures as described in § 6 b (2) of these Conditions.

(4) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the Share ceases to exist and/or is replaced by a successor share (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the Share used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

(5) Determination of a Substitute Stock Exchange

If the quotation of or trading in the share on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another stock exchange, the Issuer shall be entitled to stipulate such other stock exchange as new Relevant Exchange (the "**Substitute Stock Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Stock Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component on the Relevant Exchange, at the latest.

(6) Corrected Price

In the event that the price of the Share used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(7) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt (i) the applicability of the adjustment rules of the Relevant Futures and Options Exchange and (ii) the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

(8) Effectiveness of Adjustments and Determinations

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

Only in case of a **certificate representing shares as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (c) of these Conditions applies:

§ 6 (c)

Adjustments in connection with a Certificate representing Shares

(1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (c) (2)) in relation to the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of such Potential Adjustment Event.

(2) Occurrence of a Potential Adjustment Event

"Potential Adjustment Event" means any following events or measures in relation to the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, provided that such event or measure is, at the reasonable discretion the Issuer and the Calculation Agent, material and adversely affects the Underlying or, as the case may be, the Basket Component or the calculation of the Price of the Underlying or, as the case may be, the Basket Component:

- (a) In the opinion of the Calculation Agent at its reasonable discretion, a material change
 - (i) has occurred in relation to the Relevant Exchange relevant for the calculation and determination of the price of the certificate representing shares used as the Underlying or, if in the applicable product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, or
 - (ii) has occurred in relation to the relevant terms of either the certificate representing shares used as the Underlying or, as the case may be, the Basket Component, or of the Underlying Shares.
- (b) Any measure in relation to the certificate representing shares, which gives reason, or would give reason, if option and futures contracts on the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component traded on the Relevant Futures and Options Exchange (the "Option Contracts") were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the trading system, relevant for the calculation and determination of the price of the underlying.

(3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the certificate representing shares ceases to exist and/or is replaced by another underlying successor certificate representing shares (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a **"Replacement Event"**), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component shall be applicable in the future (the **"Successor Underlying"** or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the **"Successor Basket Component"**) and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to

be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

(4) Determination of a Substitute Stock Exchange

If the quotation of or trading in the certificate representing shares on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another stock exchange, the Issuer shall be entitled to stipulate such other stock exchange as new Relevant Exchange (the "Substitute Exchange") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component on the Relevant Exchange, at the latest.

(5) Corrected Price

In the event that the price of the certificate representing shares used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, as the Basket Component as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "Corrected Price") is published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(6) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of a **Non-Equity Security as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (d) of these Conditions applies:

§ 6 (d)

Adjustments in connection with a Non-Equity Security

(1) Consequences of the occurrence of a Potential Adjustment Event

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Trading System relevant for the calculation and determination of the price of the non-equity security used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component (a **"Potential Adjustment Event"**), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

(2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the non-equity security, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or of the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the non-listed security as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the non-equity security shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

(3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the non-equity security ceases to exist and/or is replaced by another underlying a successor non-equity security (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a **"Replacement Event"**), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at the reasonable discretion of the Issuer or, as the case may be, of the Calculation Agent, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the non-equity security used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, shall be applicable in the future (the **"Successor Underlying"** or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the **"Successor Basket Component"**) and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the affected Basket Component by the Successor Underlying or, as the case may be, in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

(4) Determination of a Substitute Trading System

If the quotation of or trading in the non-equity security in the Relevant Trading System is permanently discontinued while concurrently a quotation or trading is started up or maintained on another trading system, the Issuer shall be entitled to stipulate such other trading system as the new relevant trading system (the "**Substitute Trading System**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Trading System thereafter shall be deemed to refer to the Substitute Trading System. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Component in the Relevant Trading System at the latest.

(5) Corrected Price

In the event that the price of the non-equity security used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, as determined and published by the Relevant Trading System is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Trading System, after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(6) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of a **commodity as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (e) of these Conditions applies:

§ 6 (e)

Adjustments in connection with a Commodity

(1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (e) (2) of these Conditions), the Issuer shall be entitled adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the commodity used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Record Date (as defined below) is prior to or on the Valuation Date or the Final Valuation Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be effected by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Record Date**" will be the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded on the Relevant Futures and Options Exchange or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

(2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any measure in relation to the commodity, which gives reason, or would give reason, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the trading system, relevant for the calculation and determination of the price of the underlying.

Potential Adjustment Events are, *in particular*, but not limited to, the following measures, whereas, however, subject to § 6 (e) (3) of these Conditions, the *de facto* or hypothetical decision of the Relevant Futures and Options Exchange is decisive:

- (i) The commodity is traded in the Relevant Trading System relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Component in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit.
- (ii) The occurrence of another event or action, due to which the commodity, as traded in the Relevant Trading System relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Component, is materially modified.

The provisions set out above shall apply *mutatis mutandis* to events other than those mentioned above, if the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the economic effects of these events are comparable and may have an impact on the value of the commodity.

(3) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of, whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures in terms of § 6 (e) (2) of these Conditions.

(4) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the commodity ceases to exist and/or is replaced by a successor commodity (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the commodity used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

(5) Determination of a Substitute Trading System

If the quotation of or trading in the commodity in the Relevant Trading System is permanently discontinued while concurrently a quotation or trading is started up or maintained on another trading system, the Issuer shall be entitled to stipulate such other trading system as the new relevant trading system (the "**Substitute Trading System**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Trading System thereafter shall be deemed to refer to the Substitute Trading System. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Component in the Relevant Trading System, at the latest.

(6) Corrected Price

In the event that the price of the commodity used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, as determined and published by the Relevant Trading System is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Trading System after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(7) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt (i) the applicability of the adjustment rules of the Relevant Futures and Options Exchange and (ii) the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

(8) Effectiveness of Adjustments and Determinations

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

Only in case of a **precious metal as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (f) of these Conditions applies:

§ 6 (f)

Adjustments in connection with a Precious Metal

(1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (f) (2) of these Conditions), the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the precious metal used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Record Date (as defined below) is prior to or on the Valuation Date or the Final Valuation Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be effected by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Record Date**" will be the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded on the Relevant Futures and Options Exchange or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

(2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any measure in relation to the precious metal, which gives reason, or would give reason, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be, to the Relevant Futures and Options Exchange for an adjustment to the strike, the contract volume of the underlying, the ratio of the underlying or to the quotation of the trading system, relevant for the calculation and determination of the price of the underlying.

Potential Adjustment Events are, *in particular*, but not limited to, the following measures, whereas, however, subject to § 6 e (3) of these Conditions, the *de facto* or hypothetical decision of the Relevant Futures and Options Exchange is decisive:

- (i) The precious metal is traded on the Relevant Exchange relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Component in a different quality, in a different consistency (e.g. with a different degree of purity or a different point of origin) or in a different standard measuring unit.
- (ii) The occurrence of another event or action, due to which the precious metal, as traded in the Relevant Exchange relevant for the calculation and determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component, is materially modified.

The provisions set out above shall apply *mutatis mutandis* to any other event or circumstance, which may have an impact on the value of the precious metal and which causes the terms of the Securities to no longer reflect the original commercial terms agreed by the Issuer and the Securityholders or adversely affects the economic basis on which the Issuer issued the Securities.

(3) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of, whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures in terms of § 6 (f) (2) of these Conditions.

(4) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the precious metal ceases to exist and/or is replaced by a successor precious metal (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the precious metal used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

(5) Determination of a Substitute Trading System

If the quotation of or trading in the precious metal in the Relevant Trading System is permanently discontinued while concurrently a quotation or trading is started up or maintained on another trading system, the Issuer shall be entitled to stipulate such other trading system as the new relevant trading system (the "**Substitute Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Trading System thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Component on the Relevant Exchange, at the latest.

(6) Corrected Price

In the event that the price of the precious metal used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(7) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt (i) the applicability of the adjustment rules of the Relevant Futures and Options Exchange and (ii) the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

(8) Effectiveness of Adjustments and Determinations

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

Only in case of an **index as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (g) of these Conditions applies:

§ 6 (g)
Adjustments in connection
with an Index

(1) Successor Index Sponsor; Successor Index Calculator

If the Index used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, is permanently not maintained by the Index Sponsor and no longer calculated and published by the Index Sponsor or, if in the applicable Product Terms in the definition of "Underlying" an **"Index Calculator"** is specified to be applicable, by such Index Calculator, then the Issuer shall be entitled to replace the Index Sponsor or, as the case may be, the Index Calculator by a person, company or institution, which is acceptable to the Calculation Agent and the Issuer at their reasonable discretion (the **"Successor Index Sponsor"** or, if in the applicable Product Terms in the definition of "Underlying" a **"Index Calculator"** is specified to be applicable, the **"Successor Index Calculator"**).

In such case, the Successor Index Sponsor or, if in the applicable Product Terms in the definition of "Underlying" an **"Index Calculator"** is specified to be applicable, the Successor Index Calculator will be deemed to be the Index Sponsor or, as the case may be, the Index Calculator and each reference in these Conditions to the Index Sponsor or, as the case may be, the Index Calculator shall be deemed to refer to the Successor Index Sponsor or, as the case may be, the Successor Index Calculator.

(2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the Index or of the composition or of the weighting of the Index components, on which the calculation of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component is based, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the underlying concept and the calculation (including corrections) of the Underlying or of the Basket Component are no longer comparable to the underlying concept or calculation of the Index applicable prior to such change. This applies especially, if due to any change the Index value changes considerably, although the prices and weightings of the components included in the Index remain unchanged. Adjustments may also be made as a result of the termination of the Index and/or its substitution by another underlying.

For the purpose of making any adjustments, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the Index as the basis of the determination of the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the Index shall apply for the first time. The adjusted value per unit of the Underlying or the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

(3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the authorisation of the Issuer or of the Calculation Agent, as the case may be, to use the Index used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the Basket Component, for the purposes of the Securities is terminated or otherwise ceases to exist or the Index (or the publication thereof) has been permanently discontinued and/or replaced by a successor index (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a **"Replacement Event"**), the Issuer and the Calculation Agent shall determine at their reasonable discretion,

after having made appropriate adjustments according to the paragraph above, which index shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component, shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

(4) Corrected Price

In the event that the Price of the Index used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, as determined and published by the Index Sponsor or if in the applicable Product Terms in the definition of "Underlying" an "Index Calculator" is specified to be applicable, by the Index Calculator is subsequently corrected and the correction (the "**Corrected Price**") is published after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(5) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of an **exchange traded Fund Unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (h) of these Conditions applies:

§ 6 (h)

Adjustments in connection with an exchange traded Fund Unit

(1) Consequences of the occurrence of a Potential Adjustment Event

In the case of the occurrence of a Potential Adjustment Event (§ 6 (h) (2)) in respect to the exchange traded Fund Unit used as Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to make any adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions that they determine at their reasonable discretion to be appropriate to account for the effect of such Potential Adjustment Event.

(2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means any following measure in relation to the Fund Unit:

- (i) conversion, subdivision, consolidation or reclassification of the Fund Units,
- (ii) payment of distributions, which contradict the standard distribution policy of the Investment Fund in relation to the Fund Units, or
- (iii) any other event that may, in the Issuer's and the Calculation Agent's reasonable discretion, have a diluting or concentrative effect on the Fund Units.

(3) Adjustments made by the Relevant Futures and Options Exchange

The Issuer shall be entitled to in particular effect adjustments to these Conditions in a manner and relation corresponding to the relevant adjustments made with regard to option and futures contracts on the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, traded on the Relevant Futures and Options Exchange (the "**Option Contracts**") provided that the Record Date (as defined below) is prior to or on the Valuation Date or the Final Valuation Date, as the case may be, and as specified in the applicable Product Terms.

If no such Option Contracts are being traded on the Relevant Futures and Options Exchange, the adjustments may be effected by the Issuer in a manner as relevant adjustments would be made by the Relevant Futures and Options Exchange if those Option Contracts were traded on the Relevant Futures and Options Exchange.

The "**Record Date**" will be the first trading day on the Relevant Futures and Options Exchange on which the adjusted Option Contracts on the Underlying are traded on the Relevant Futures and Options Exchange or would be traded if those Option Contracts were traded on the Relevant Futures and Options Exchange.

(4) Deviations by the Issuer from the Relevant Futures and Options Exchange

The Issuer shall be entitled to deviate from the adjustments made by the Relevant Futures and Options Exchange, should the Issuer consider it necessary in order to account for existing differences between the Securities and the Option Contracts traded on the Relevant Futures and Options Exchange. Irrespective of, whether or how adjustments are *de facto* effected by the Relevant Futures and Options Exchange, the Issuer is entitled to make adjustments to these Conditions for the purpose to reconstitute to the extent possible the Securityholders' economic status prior to the measures in terms of § 6 (h) (2).

(5) Consequences of the occurrence of a Replacement Event

If a Replacement Event (§ 6 (h) (6)) in respect of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component occurs or is likely to occur, the Issuer and the Calculation Agent may, if they determine at their

reasonable discretion, that such event is material and adversely affects the Fund Unit,

- (i) select an alternative investment fund, which the Issuer and the Calculation Agent determine at their reasonable discretion to have a similar strategy and liquidity and to the extent data thereon is available, similar historical returns and volatility as the Fund Unit, (also the "**Successor Underlying**") or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "**Successor Basket Component**") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Successor Basket Component; and/or
- (ii) make any adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions that they determine at their reasonable discretion to be appropriate to account for the effect of such Replacement Event.

(6) Occurrence of a Replacement Event

Subject to § 6 (n) of these Conditions, "**Replacement Event**" means any of the following:

- (a) The investment strategy or investment objective of an Investment Fund (the "**Strategy**") differs substantially from the Strategy at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be, or from the Strategy outlined in the prospectus or other documents prepared in connection with the marketing of the Investment Fund (together the "**Documents**") or from the rules in relation to the Investment Fund.
- (b) The Investment Fund introduces or increases charges or fees payable out of the assets of the Investment Fund or charges a subscription fee or redemption fee.
- (c) The operation or organisation of the Investment Fund (in particular structure, procedures or policies) or the application of such procedures or policies has changed from that at the Issue Date or the date on which the Underlying was adjusted in accordance with these Conditions, as the case may be.
- (d) The Investment Fund or its investment manager is or becomes subject to liquidation, dissolution, discontinuance or execution, or the investment manager indicates that the Strategy will not be met or proposes, recommends or initiates the liquidation, dissolution or discontinuance of the Investment Fund.
- (e) The Investment Fund or its investment manager or any of their employees are placed under review or investigation by any regulatory or other authority or are subject to any charges or prosecution.
- (f) The Issuer is the beneficial owner of 5 % or more of the Fund Units of the Investment Fund or a relevant class of the Investment Fund.
- (g) The Investment Fund or its investment manager becomes party to any litigation or dispute.
- (h) Resignation, termination, loss of registration or any other change in respect of the investment manager of the Investment Fund or any change in the personnel of the investment manager or in the service providers to the Investment Fund.

The provisions set out above shall apply *mutatis mutandis* to events other than those mentioned above, if the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the economic effects of these events are comparable and may have an impact on the calculational value of the Fund Unit.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying.

(7) Determination of a Substitute Stock Exchange

If the quotation of or trading in the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component on the Relevant Exchange is permanently discontinued while concurrently a quotation or trading is started up or maintained on another stock exchange, the Issuer shall be entitled to stipulate such other exchange as new Relevant Exchange (the "**Substitute Exchange**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange thereafter shall be deemed to refer to the Substitute Exchange. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Fund Unit used as the Underlying on the Relevant Exchange.

(8) Corrected Price

In the event that the Price of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component as determined and published by the Relevant Exchange is subsequently corrected and the correction (the "**Corrected Price**") is published by the Relevant Exchange after the original publication, but until the Redemption Date (exclusive), the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(9) Making of Adjustments and Determinations, Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

(10) Effectiveness of Adjustments and Determinations

Any adjustment and determination will become effective as of the time at which the relevant adjustments become effective on the Relevant Futures and Options Exchange or would become effective, if the Option Contracts were traded on the Relevant Futures and Options Exchange, as the case may be.

Only in case of a **Fund Unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (i) of these Conditions applies:

§ 6 (i)

Adjustments in connection with a Fund Unit

(1) Consequences of the occurrence of a Potential Adjustment Event

If a Potential Adjustment Event (§ 6 (i) (2) of these Conditions) in respect of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, occurs or is likely to occur, the Issuer and the Calculation Agent may, if they determine at their reasonable discretion, that such event is material and adversely affects the Underlying or, as the case may be, the Basket Component, or the calculation of the NAV of the Fund Unit,

- (a) make any adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions that they determine at their reasonable discretion to be appropriate to account for the effect of such Potential Adjustment Event, and/or
- (b) select, by using reasonable efforts for a period of no longer than five (5) Business Days from the date when such a Potential Adjustment Event has occurred, one or more suitable alternative funds with reasonably similar investment mandates – subject to the following suitability criteria – (each a "**Replacement Fund**") and replace the Fund by such fund(s).

The replacement of the Fund by one or more alternative Replacement Funds is only possible provided that all of the following suitability criteria are met:

- (i) The relevant fund management company/ies and fund manager(s) are willing to allow the fund to be referenced in the Securities.
- (ii) There is no legal or regulatory restriction on referencing the fund in respect of the Securities.
- (iii) The Issuer is able to trade at net asset value or at bid price in the fund with no direct or indirect fee, levy or other charge whatsoever, including subscription or redemption penalties applicable, or potentially applicable, to any such trading or any interest so acquired.
- (iv) The Replacement Fund is constituted as an open-ended investment company incorporated in an OECD country.
- (v) The relevant fund management company / fund manager publishes the fund's net asset value or bid price on a daily basis.
- (vi) The Hedging Counterparty is able to fully hedge its position with respect to the fund.

(2) Occurrence of a Potential Adjustment Event

"**Potential Adjustment Event**" means, subject to § 6 (n) of these Conditions, any of the following:

- (a) a material change in the investment strategy, underlying portfolio liquidity or the risk/return profile of the Fund, a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the Fund (howsoever described, including the underlying type of assets in which the Fund invests) from those set out in the Fund offer documentation or other constitutional documents or any announcement regarding a potential modification or material deviation, except where such modification or deviation is of a formal, minor or technical nature;

- (b) the Fund or any service provider to the Fund such as investment advisors, investment managers, custodians, depositaries, administrators, management companies etc. (each, a "Fund Service Provider")
 - (i) ceases trading and/or, in the case of a Fund Service Provider, ceases to provide its services to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent, (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights (other than pursuant to a consolidation, amalgamation or merger); or (iii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified above;
- (c) any suspension, a change in the periodicity and/or material modification of the method of calculating the NAV per Fund Unit set out in the fund documents on the Fixing Date;
- (d) any change in the currency of denomination of the NAV of the relevant class of shares of the Fund, or the NAV of the Fund, as calculated by its administrator, not being calculated or announced for any scheduled Fund Business Day within the time period when the Calculation Agent would ordinarily expect such NAV to be available;
- (e) the creation by the Fund of any illiquid share class or unit (howsoever described) or if the Fund is part of an umbrella structure with more than one sub-fund, a cross-contamination or other failure to segregate the portfolio of assets held by the Fund occurs between different series, classes and/or sub-funds;
- (f) the regulatory, legal, accounting or tax treatment applicable with respect to the Issuer or the Fund is changed;
- (g) there exists any litigation against the Fund or a Fund Service Provider and/or an allegation of criminal or fraudulent activity is made in respect of the Fund, which in the reasonable determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;
- (h) any review or investigation of the activities of the Fund or any Fund Service Provider, by a relevant regulator, in connection with suspected or alleged wrongdoing or breach of any rule or regulation, or other similar reason, or any disciplinary action taken by such regulator in consequence thereof, which in the reasonable determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;
- (i) a relevant authorization or license is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorization or license which in the reasonable determination of the Calculation Agent could materially affect the value of the Fund Units or the rights or remedies of any investor in such Fund Units;
- (j) the assets under management of the Fund fall below EUR 50,000,000 or the equivalent in any other currency;
- (k) the Issuer is the beneficial owner of 5 % or more of the Fund Units of the Fund or a relevant class of the Fund;
- (l) any arrangement between the Issuer and the Fund and/or a Fund Service Provider, including arrangements relating to subscriptions in and redemptions of Fund Units, being changed or terminated, where such change, modification or termination has a direct impact on the pricing of the Securities;
- (m) the occurrence of any event, which prevents, hinders or materially impairs the Issuer's ability to conduct its hedging activities, or materially increases the cost to the Issuer of hedging arrangements, in relation to its exposure under these Securities including but not limited to, any event that renders the Issuer

unable to or makes it impracticable for the Issuer to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary to hedge the Issuer's obligations under the Securities or (B) to realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (aa) any restrictions or increase in charges or fees imposed by the Fund on any investor's ability to redeem a Fund Unit, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Unit, or (bb) any mandatory redemption, in whole or in part, of such units in the Fund;

- (n) the occurrence of a Fund Change in Law,

where a "**Fund Change in Law**" means that due to the occurrence, on or after the Issue Date of the Securities, of any of the following:

- (i) the adoption, taking effect or implementation of any law, order rule, regulation, decree, notice or treaty;
- (ii) any change in any law, order, rule, regulation, decree, notice or treaty or in the administration, interpretation, implementation or application thereof, whether formal or informal, by any court, tribunal, regulatory authority, governmental authority or similar administrative or judicial body; or
- (iii) the making or issuance of any request, rule, guideline or directive (whether formal or informal or not having the force of law) by any court, tribunal, regulatory authority, governmental authority or similar administrative or judicial body; provided that (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act, the European Market Infrastructure Regulation (EMIR) as amended by the Markets in Financial Instruments Regulation (MiFIR), the Markets in Financial Instruments Directives (MiFID I and MiFID II) or any structural reform regulation of the European banking sector and all requests, rules, guidelines, directives or interpretations thereunder or issued in connection therewith or the administration, interpretation, implementation or application thereof and (y) all requests, rules, guidelines, directives or interpretations promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), the Swiss Financial Market Supervisory Authority or its successors (FINMA) or the United States or foreign regulatory authorities, or the administration, interpretation, implementation or application thereof shall each be deemed to be a "Fund Change in Law", regardless of the date enacted, adopted issued or applied,

at the reasonable discretion of the Issuer

- (i) the holding, acquisition or sale of the Fund Units of the Fund is or becomes wholly or partially illegal or
- (ii) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or negative consequences with regard to tax treatment);
- (o) one or more of the key individuals involved with, or having supervision over, the Fund or a Fund Service Provider ceases to act in such capacity, and the relevant Fund Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act, provided that the Fund's offer documents or other constitutional documents contain provisions pertaining to the occurrence of such a key person event;
- (p) any other event or circumstance, which, in the reasonable determination of the Calculation Agent, causes the terms of these Securities to no longer reflect the original commercial terms agreed by the Issuer and the Securityholders or adversely affects the economic basis on which the Issuer issued the Securities;
- (q) at any time after the Issue Date, the Issuer and/or any of its affiliates would incur an increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, reserve or similar requirements in relation to the Securities, capital and/or funding costs, expense or fee (other than brokerage commissions) or hedging costs (including, but not limited to, regulatory capital or operational requirements required from a Fund Change in Law) to maintain the Securities.

The provisions set out above shall apply *mutatis mutandis* to any other event or circumstance, which causes the terms of the Securities to no longer reflect the original commercial terms agreed by the Issuer and the Securityholders or adversely affects the economic basis on which the Issuer issued the Securities.

Any reference in these Conditions to the Fund as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, shall, to the extent appropriate, be deemed to refer to the Replacement Fund.

(3) Corrected Price

In the event that the price of the Fund Unit used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, as determined and published by a Fund Service Provider on behalf the Fund is subsequently corrected and the correction (the "**Corrected Price**") is published by a Fund Service Provider on behalf of the Fund after the original publication, but still within one Settlement Cycle, the Issuer and the Calculation Agent shall be entitled to effect, under consideration of the Corrected Price, adjustments to these Conditions at their reasonable discretion, to account for the correction. The adjustment and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

(4) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of a **futures contract as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (j) of these Conditions applies:

§ 6 (j)

Adjustments in connection with a Futures Contract

(1) Expiration of the Futures Contract

Upon expiration of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, during the Term of the Securities, the futures contract will be replaced on the Roll Over Date by the futures contract with the next Expiration Date as relevant new Underlying or, as the case may be, Basket Component (the **"Current Underlying"** or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the **"Current Basket Component"**, (the **"Roll Over"**). If, at that time, the Issuer determines that there is no futures contract with the next Expiration Date, the terms or contractual characteristics of which match those of the futures contract used as the Underlying or, as the case may be, as the Basket Component, to be replaced, paragraph (4) shall apply accordingly.

The Issuer shall be entitled to make at its reasonable discretion and considering the prices determined for the purpose of the Roll Over on the basis of the price of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, and of the Current Underlying or, as the case may be, the Current Basket Component on the Roll Over Date, adjustments to these Conditions to account for the Roll Over, to the extent as the Issuer considers such adjustment necessary when replacing the expiring futures contract by the Current Underlying or, as the case may be, the Current Basket Component. At this, adjustments will be effected so that the economic value of the Securities is affected as less as possible by the Roll Over. The adjustments in the context of a Roll Over pursuant to the paragraphs above shall be effected by the Issuer at its reasonable discretion and shall be published on the website of the Issuer at www.turbos.binck.com. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.

(2) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Reference Market relevant for the calculation and determination of the price of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

(3) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the futures contract, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the futures contract as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the futures contract shall apply for the first time. The adjusted value per unit of the

Underlying or, as the case may be, the Basket Component as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

(4) Successor Underlying or, as the case may be, Successor Basket Component

In the event that the futures contract ceases to exist and/or is replaced by a successor futures contract (by any parties other than the Issuer) (subject to § 6 (n) of these Conditions, a "**Replacement Event**"), the Issuer and the Calculation Agent shall, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, determine at the reasonable discretion of the Issuer or, as the case may be, of the Calculation Agent, after having made appropriate adjustments according to the paragraph above, which underlying, economically equal to the underlying concept of the futures contract used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, shall be applicable in the future (the "**Successor Underlying**" or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the "**Successor Basket Component**" and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

(5) Determination of a Substitute Reference Market

If the quotation of or trading in the futures contract in the Relevant Reference Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another reference market, the Issuer shall be entitled to stipulate such other reference market as the new relevant reference market (the "**Substitute Reference Market**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Reference Market thereafter shall be deemed to refer to the Substitute Reference Market. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Component, in the Relevant Reference Market at the latest.

(6) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of an **interest rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (k) of these Conditions applies:

§ 6 (k)

Adjustments in connection with the Interest Rate

(1) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Reference Market relevant for the calculation and determination of the price of the interest rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

(2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the interest rate, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the interest rate as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the interest rate shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component, as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

(3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that:

- (a) the authorisation of the Issuer or of the Calculation Agent, as the case may be, to use the interest rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the Basket Component for the purposes of the Securities is terminated or otherwise ceases to exist or
- (b) the interest rate (or the publication thereof) has been permanently discontinued and/or replaced by a successor interest rate (by any parties other than the Issuer)

(subject to § 6 (n) of these Conditions, a **"Replacement Event"**) the Issuer and the Calculation Agent shall determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which interest rate shall be applicable in the future (the **"Successor Underlying"** or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the **"Successor Basket Component"**) and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

(4) Determination of a Substitute Reference Market

If the calculation or publication of the interest rate in the Relevant Reference Market is permanently discontinued while concurrently a calculation and publication is started up or maintained on another reference market, the Issuer shall be entitled to stipulate such other reference market as the new relevant reference market (the "**Substitute Reference Market**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Reference Market thereafter shall be deemed to refer to the Substitute Reference Market. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the calculation and publication of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Component in the Relevant Reference Market at the latest.

(5) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of a **currency exchange rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (l) of these Conditions applies:

§ 6 (l)

Adjustments in connection with a Currency Exchange Rate

(1) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Exchange Market relevant for the calculation and determination of the price of the currency exchange rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to count for these changed market conditions.

(2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the currency exchange rate or of the composition or of the weighting of the prices or other reference assets, which form the basis of the calculation of the currency exchange rate, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion, determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, are no longer comparable to the underlying concept or calculation of the Underlying or the Basket Component applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustments, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the currency exchange rate as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the currency exchange rate shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component, as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

(3) Replacement or Merger

In the event that a currency used in relation to the currency exchange rate is, in its function as legal tender, in the country or jurisdiction, or countries or jurisdictions, maintaining the authority, institution or other body which issues such currency, replaced by another currency, or merged with another currency to become a common currency, subject to § 6 (n) of these Conditions, a **"Replacement Event"** the currency used in connection with the currency exchange rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, as the Basket Component, is, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions, for the purposes of these Conditions replaced, if applicable, after having made appropriate adjustments according to the paragraph above, by such replacing or merged currency (the **"Successor Underlying"** or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, the **"Successor Basket Component"**).

The Successor Underlying or, as the case may be, the Successor Basket Component, and the date it is applied for the first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a **"Basket"** is specified to be applicable, to the Basket Component, shall, to the extent

appropriate, be deemed to refer to the Successor Underlying or, as the case may be, the Successor Basket Component.

(4) Determination of a Substitute Exchange Market

If the quotation of or trading in the currency used in connection with the currency exchange rate on the Relevant Exchange Market is permanently discontinued while concurrently a quotation or trading is started up or maintained on another international foreign exchange market, the Issuer shall be entitled to stipulate such other international foreign exchange market as the new relevant international foreign exchange market (the "**Substitute Exchange Market**") through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution, any reference in these Conditions to the Relevant Exchange Market thereafter shall be deemed to refer to the Substitute Exchange Market. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the quotation of or trading in the currency used in connection with the currency exchange rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, in the Basket Component, on the Relevant Exchange Market, at the latest.

(5) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in case of a **reference rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms, the following § 6 (m) of these Conditions applies:

§ 6 (m)

Adjustments in connection with a Reference Rate

(1) Material change in the market conditions

If, in the opinion of the Calculation Agent at its reasonable discretion, a material change in the market conditions occurred in relation to the Relevant Reference Market relevant for the calculation and determination of the price of the reference rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, as the Basket Component, the Issuer shall be entitled to adjust any variable, calculation methodology, valuation, settlement, payment terms or any other terms in these Conditions to account for the effect of these changed market conditions.

(2) Changes in the calculation; Making of Adjustments

Any changes in the calculation (including corrections) of the reference rate, shall not lead to an adjustment unless the Issuer and the Calculation Agent, upon exercise of their reasonable discretion determine that the underlying concept and the calculation (including corrections) of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Basket Component, are no longer comparable to the underlying concept or calculation of the Underlying or, as the case may be, the Basket Component, applicable prior to such change. Adjustments may also be made as a result of the termination of the Underlying or the Basket Component and/or its substitution by another underlying.

For the purpose of making any adjustment, the Calculation Agent shall at its reasonable discretion determine an adjusted value per unit of the reference rate as the basis of the determination of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Component, which in its result corresponds with the economic result prior to this change, and shall, taking into account the time the change occurred, determine the day, on which the adjusted value per unit of the reference rate shall apply for the first time. The adjusted value per unit of the Underlying or, as the case may be, the Basket Component, as well as the date of its first application shall be published without undue delay pursuant to § 14 of these Conditions.

(3) Successor Underlying or, as the case may be, Successor Basket Component

In the event that:

- (a) the authorisation of the Issuer or of the Calculation Agent, as the case may be, to use the reference rate used as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Basket Component for the purposes of the Securities is terminated or otherwise ceases to exist or
- (b) the reference rate (or the publication thereof) has been permanently discontinued and/or replaced by a successor reference rate (by any parties other than the Issuer)

(subject to § 6 (n) of these Conditions, a "Replacement Event") the Issuer and the Calculation Agent shall determine at their reasonable discretion, after having made appropriate adjustments according to the paragraph above, which reference rate shall be applicable in the future (the "Successor Underlying" or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the "Successor Basket Component") and to replace the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component by the Successor Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the Successor Basket Component.

The Successor Underlying or, as the case may be, the Successor Basket Component and the date it is applied for the

first time shall be published without undue delay in accordance with § 14 of these Conditions.

Any reference in these Conditions to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, to the Basket Component shall, to the extent appropriate, be deemed to refer to the Successor Underlying or, as the case may be, to the Successor Basket Component.

(4) Determination of a Substitute Reference Market

If the calculation or publication of the reference rate in the Relevant Reference Market or, as the case may be, and as specified in the applicable Product Terms, by the Relevant Reference Agent, is permanently discontinued while concurrently a calculation and publication is started up or maintained on another reference market or, as the case may be, by another reference agent, the Issuer shall be entitled to stipulate such other reference market or reference agent as the new relevant reference market (the "**Substitute Reference Market**") or the new relevant reference agent (the "**Substitute Reference Agent**"), as the case may be, through publication in accordance with § 14 of these Conditions, provided that the Issuer has not terminated the Securities in accordance with § 8 of these Conditions. In the case of such a substitution any reference in these Conditions to the Relevant Reference Market or, as the case may be, the Relevant Reference Agent thereafter shall be deemed to refer to the Substitute Reference Market or the Substitute Reference Agent, as the case may be. The adjustment described above shall be published in accordance with § 14 of these Conditions upon the expiry of one month following the permanent discontinuation of the calculation and publication of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the Basket Component, in the Relevant Reference Market or, as the case may be, by the Relevant Reference Agent, at the latest.

(5) Making of Adjustments and Determinations; Publication

Adjustments and determinations pursuant to the paragraphs above shall be effected by the Issuer or, as the case may be, by the Calculation Agent, at its reasonable discretion, under consideration of the market conditions then prevailing and preserving the value of the Securities. The Issuer reserves the right to determine at its reasonable discretion in cases of doubt the required adjustment. Any adjustment or determination shall be published by the Issuer in accordance with § 14 of these Conditions and shall be final, conclusive and binding on all parties, except where there is a manifest error.

Only in the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Benchmark Adjustment**" is specified to be applicable, the following § 6 (n) of these Conditions applies:

§ 6 (n)
Benchmark Adjustments

In the event that

- (i) the Issuer or the Calculation Agent, as the case may be, determines that the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, a Basket Component, the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the Basket Component of which is used to determine (A) any amount payable under these Conditions or (B) the value of the Securities qualifies as a "benchmark" within the meaning of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in certain financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**", where the affected Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the affected Basket Component, is also referred to as "**Benchmark**"), and
- (ii) the Issuer or the Calculation Agent, as the case may be, is, due to the coming into effect (following any transitional provisions) of the Benchmark Regulation on or after the Issue Date of the Securities,
 - (a) either no longer able to use the Benchmark as the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, Basket Component for the purposes of the Securities or
 - (b) has control over the provision of the Benchmark (administrator) within the meaning of the Benchmark Regulation without having the appropriate authorisation, registration, recognition, endorsement, equivalence, approval or inclusion in any official register which, in each case, is required under any applicable law or regulation for the Issuer or the Calculation Agent, as the case may be, to perform its or their respective obligations under these Conditions,

this event shall also constitute a "**Replacement Event**" or, in case of § 6 (i) of these Conditions, a "**Potential Adjustment Event**" in relation to the affected Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, the affected Basket Component, for the purposes of these Conditions.

§ 7

Adjustments due to the European Economic and Monetary Union

(1) Redenomination

Where a country participates in the third stage of the European Economic and Monetary Union, whether as from 1999 or after such date, the Issuer and the Calculation Agent at their reasonable discretion, shall be entitled to make the following adjustments to these Conditions:

- (i) Where the Redemption Currency under these Conditions is the national currency unit other than Euro of a country which is participating in the third stage of the European Economic and Monetary Union, whether as from 1999 or after such date, such Redemption Currency shall be deemed to be an amount of Euro converted from the original Redemption Currency into Euro at the statutory applicable exchange rate and subject to such statutory applicable rounding provisions.

After the adjustment, all payments in respect of the Securities will be made solely in Euro as though references in the Securities to the Redemption Currency were to Euro.

- (ii) Where these Conditions contain a currency conversion rate or any of these Conditions are expressed in a currency of a country which is participating in the third stage of the European Economic and Monetary Union, whether as from 1999 or after such date, such currency conversion rate and/or any other terms of these Conditions shall be deemed to be expressed in or, in the case of a currency conversion rate, converted for or, as the case may be, into, Euro at the statutory applicable exchange rate.
- (iii) The Issuer and the Calculation Agent are entitled to adjust these Conditions as they may decide to conform them to conventions then applicable to instruments expressed in Euro.
- (iv) The Issuer and the Calculation Agent at their reasonable discretion shall be entitled to make such adjustments to these Conditions as they may determine to be appropriate to account for the effect of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community on these Conditions.

(2) No liability of the by the Issuer and the Security Agents

The Issuer and the Security Agents (§ 12 of these Conditions) shall not be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to, or resulting from the transfer of Euro or any currency conversion or rounding effected in connection therewith.

(3) Publication

The adjustments and determinations of the Issuer pursuant to the paragraphs above shall be effected by the Issuer at its reasonable discretion or, as the case may be, by the Calculation Agent and shall be published by the Issuer in accordance with § 14 of these Conditions. Any adjustment and determination shall be final, conclusive and binding on all parties, except where there is a manifest error.

§ 8

Extraordinary Termination Right of the Issuer

(1) Termination by the Issuer

The Issuer shall in the case of the occurrence of one of the following Termination Events, be entitled to terminate and redeem all but not some of the Securities by giving notice to the Securityholders in accordance with § 14 of these Conditions. Such termination shall become effective at the time of the notice in accordance with § 14 of these Conditions or at the time indicated in the notice (the "**Termination Date**").

(2) Occurrence of a Termination Event

A "**Termination Event**" means any of the following events:

- (a) The determination and/or publication of the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of a Basket Component, is discontinued permanently, or the Issuer or the Calculation Agent obtains knowledge about the intention to do so.
- (b) Adjustments pursuant to § 6 (a) – (n) of these Conditions are not possible or not justifiable with regard to the Issuer and/or the Securityholders.
- (c) In the opinion of the Calculation Agent at its reasonable discretion, another material change in the market conditions occurred in relation to the Relevant Exchange, the Relevant Trading System, the Relevant Exchange Market, the Relevant Reference Market or, as the case may be, in relation to the Relevant Reference Agent, as specified to be applicable in the relevant Product Terms.
- (d) The occurrence of any Additional Termination Event as specified to be applicable in the relevant Security Product.
- (e) The occurrence of a Change in Law and/or a Hedging Disruption and/or an Increased Cost of Hedging.

In this context:

"**Change in Law**" means that due to

- (i) the coming into effect of changes in laws or regulations (including but not limited to tax laws); or
- (ii) a change in relevant case law or administrative practice (including but not limited to the administrative practice of the tax authorities),

at the reasonable discretion of the Issuer

- (i) the holding, acquisition or sale of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of a Basket Component, is or becomes wholly or partially illegal; or
- (ii) the costs associated with the obligations under the Securities have increased substantially (including but not limited to an increase in tax obligations, the reduction of tax benefits or negative consequences with regard to tax treatment),

if such changes become effective on or after the Issue Date of the Securities.

"**Hedging Disruption**" means that the Hedging Counterparty is not able to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which at the reasonable discretion of the Hedging Counterparty are needed by the Hedging Counterparty in order to provide protection against price risk or other risks with regard to obligations under the Securities, or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets (respectively)

under conditions which are economically substantially equal to those on the Issue Date of the Securities.

"Increased Cost of Hedging" means that the Hedging Counterparty has to pay a substantially higher amount of taxes, duties, expenditures and fees (with the exception of broker fees) compared to the Issue Date in order to

- (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which at the reasonable discretion of the Hedging Counterparty are needed in order to provide protection against price risk or other risks with regard to obligations under the Securities, or
- (ii) realise, reclaim or pass on proceeds from such transactions or assets, respectively,

with increased costs due to a deterioration of the creditworthiness of the Hedging Counterparty not to be considered Increased Cost of Hedging.

(3) Payment of the Termination Amount

In the case of termination by the Issuer, the Issuer shall pay to each Securityholder with respect to each Security it holds, the Termination Amount as specified to be applicable in the relevant Product Terms.

Only in the case that in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms the product feature "**Securityholder's Extraordinary Termination Right**" is specified to be applicable, the following § 9 of these Conditions applies:

§ 9

Extraordinary Termination Right of the Securityholder

If any of the following events (each an "**Event of Default**") occurs, any Securityholder may by written notice to the Issuer declare the Securities held by it to be forthwith due and payable, whereupon the Securityholder Termination Amount as specified in the relevant Product Terms together with accrued interest to the date of payment, if any, shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer:

- (a) there is a default for more than 30 days in the payment of any principal due in respect of the Security; or
- (b) there is a default in the performance by the Issuer of any other obligation under the Securities which is incapable of remedy or which, being a default capable of remedy, continues for 60 days after written notice of such default has been given by any Securityholder to the Issuer; or
- (c) any order is made by any competent court or other authority in any jurisdiction or any resolution is passed by the Issuer (a) for the dissolution or winding-up of the Issuer, or (b) for the appointment of a liquidator, receiver or administrator of the Issuer or of all or a substantial part of the Issuer's assets, or (c) with analogous effect for the Issuer, it is understood that anything in connection with a solvent reorganisation, reconstruction, amalgamation or merger shall not constitute an event of default; or
- (d) the Issuer stops payment or is unable to, or admits to creditors generally its inability to, pay its debts as they fall due, or is adjudicated or found bankrupt or insolvent, or enters into any composition or other arrangements with its creditors generally.

§ 10
Taxes

In case any deduction or withholding of Taxes (as defined below) is required by law or administrative practice in the future, any payments in respect of the Securities shall in such cases only be made after deduction and withholding of such future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied, withheld or assessed (the "**Taxes**") by the Netherlands or any political subdivision or taxing authority thereof or therein. In such case, the Issuer shall account for the deducted or withheld Taxes with the competent government agencies and will not be required or liable to pay any additional amounts.

§ 11 Market Disruptions

(1) Consequences of a Market Disruption

(a) Provided that **the Underlying or a Basket Component, as the case may be, is not an index comprising commodities or precious metals as Components**, where a "**Consideration of Components**" is specified to be applicable, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a Market Disruption (§ 11 (3) of these Conditions) prevails on the Fixing Date or any day in respect of which the Issuer or the Calculation Agent, as the case may be, is in accordance with these Conditions required to determine the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the Basket Component for purposes other than, if specified in the applicable Product Terms, the determination of the occurrence of a Stop Loss Event or, as the case may be, Knock Out Event (such date is referred to as the "**Scheduled Determination Date**"), the Scheduled Determination Date,

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the affected Basket Component only or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, to the affected Component only,

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to all Basket Components or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, to all Components,

shall be postponed to the next succeeding Underlying Calculation Date or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the next succeeding Basket Component Calculation Date, on which no Market Disruption prevails. The Issuer shall endeavour to notify the parties pursuant to § 14 of these Conditions without delay of the occurrence of a Market Disruption. However, there is no notification obligation.

(b) **Only in case of an index comprising commodities or precious metals as Components**, where a "**Consideration of Components**" is specified to be applicable, **as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, a Market Disruption (see (3) of this § 11 of these Conditions) prevails on the Fixing Date or any day in respect of which the Issuer or the Calculation Agent, as the case may be, is in accordance with these Conditions required to determine the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the Basket Component (such date is referred to as the "**Scheduled Determination Date**"), the Scheduled Determination Date,

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified

to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the affected Basket Component only,

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to all Basket Components,

shall be postponed to the next succeeding Underlying Calculation Date or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the next succeeding Basket Component Calculation Date, on which no Market Disruption prevails. The Issuer shall endeavour to notify the parties pursuant to § 14 of these Conditions without delay of the occurrence of a Market Disruption. However, there is no notification obligation.

With respect to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the Basket Component or, as the case may be, the affected Component, such prevailing Market Disruption causes that the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the Basket Component, shall not be determined by reference to the official closing price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the official closing price of the Basket Component, if any, on the relevant Scheduled Determination Date but shall instead be determined by the Calculation Agent as follows:

- (i) with respect to each Component which is not affected by the Market Disruption, the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the Basket Component, will be based on the settlement price of such Component on the relevant Scheduled Determination Date;
- (ii) with respect to each Component which is affected by the Market Disruption, the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the Basket Component, will be based on the settlement price of each such Component on the first succeeding Underlying Calculation Date or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the next succeeding Basket Component Calculation Date on which no Market Disruption prevails.

(2) Continuance of a Market Disruption

- (a) Provided that **the Underlying or a Basket Component, as the case may be, is not an index comprising commodities or precious metals as Components**, where a "**Consideration of Components**" is specified to be applicable, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If the Scheduled Determination Date has been postponed, due to the provisions of § 11(1) of these Conditions, by eight Underlying Calculation Dates or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, by eight Basket Component Calculation Dates, and if the Market Disruption continues to prevail on this day, this day shall be the relevant day in respect of which the Issuer or the Calculation Agent, as the case may be, shall make its determination in accordance with these Conditions,

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the affected Basket Component or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, to the affected Component,

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to all Basket Components or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, to all Components,

no further postponement shall take place.

The Calculation Agent will then, at its reasonable discretion and taking into account (i) the market conditions then prevailing and (ii) such other conditions or factors as the Issuer and the Calculation Agent reasonably consider to be relevant, estimate the relevant Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the relevant Price of the (affected) Basket Component or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, the relevant price of the affected Component, in relation to the postponed Scheduled Determination Date (which for the avoidance of doubt could be zero (0)) on the basis of the latest Prices of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, Prices of the Basket Component or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, prices of the affected Component, available to the Issuer or the Calculation Agent, taking into account the economic position of the Securityholders.

If, in the opinion of the Calculation Agent at its reasonable discretion, an estimate in accordance with the preceding sub-paragraph is, for whatsoever reason, not possible, the Issuer and the Calculation Agent will, at their reasonable discretion and taking into account (i) the market conditions then prevailing, (ii) such other conditions or factors as the Issuer and the Calculation Agent reasonably consider to be relevant, (iii) the expenses of the Issuer, if any, caused by the Market Disruption and (iv) taking into account the economic position of the Securityholders, determine whether and in which amount, if applicable, the Issuer will make payment of a redemption amount in the Redemption Currency, if any. The provisions of these Conditions relating to the Redemption Amount shall apply *mutatis mutandis* to such payment.

(b) **Only** in case of an **index comprising commodities or precious metals as Components**, where a "**Consideration of Components**" is specified to be applicable, **as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms, the following applies:

If the Scheduled Determination Date has been postponed, due to the provisions of § 11(1) of these Conditions, by eight Underlying Calculation Dates or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, by eight Basket Component Calculation Dates, and if the Market Disruption continues to prevail on this day, this day shall be the relevant day in respect of which the Issuer or the Calculation Agent, as the case may be, shall make its determination in accordance with these Conditions,

if in the applicable Product Terms in the definition of "Securities" a "**Individual Determination**" is specified to be applicable,

in relation to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the affected Basket Component.

if in the applicable Product Terms in the definition of "Securities" a "**Collective Determination**" is specified to be applicable,

in relation to all Underlyings or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to all Basket Components,

no further postponement shall take place.

With respect to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, to the affected Basket Component, the Calculation Agent will then, at its reasonable discretion, determine the price of the relevant Component (which for the avoidance of doubt could be zero (0)).

The Calculation Agent will determine the Price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, the Price of the (affected) Basket Component, with respect to the relevant Scheduled Determination Date by using the prices of the Components determined pursuant to the aforementioned provisions relating to the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "**Basket**" is specified to be applicable, of the (affected) Basket Component, in accordance with the formula for and method of calculating the Index applied by the Index Sponsor prior to the occurrence of the Market Disruption.

(3) Occurrence of Market Disruption

A "**Market Disruption**" shall mean

(A) in case of a **share as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Securities" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the share:

- (a) a suspension or a failure of the announcement of the price of the share on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) on the Relevant Exchange in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or
 - (ii) on the Relevant Exchange in the share provided that a major number or a major part in terms of market capitalisation is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the share are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Exchange (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever, or

- (c) the relevant price is a "limit price", which means that the price for the share for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange, or
- (d) the occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Share.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(B) in case of a **Certificate representing shares as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the certificate representing shares:

- (a) a suspension or a failure of the announcement of the price of the certificate representing shares on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant,
 - (i) on the Relevant Exchange in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or
 - (ii) on the Relevant Exchange in the certificate representing shares provided that a major number or a major part in terms of market capitalisation is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange),
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the certificate representing shares are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Exchange (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever.
- (c) The relevant price is a "limit price", which means that the price for the certificate representing shares for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange.
- (d) The occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values

for the certificate representing shares.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(C) in case of a **non-equity security as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the non-equity security:

- (a) a suspension or a failure of the announcement of the price of the non-equity security on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
 - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the non-equity security, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the non-equity security are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever, or
- (c) the relevant price is a "limit price", which means that the price for the Non-Equity Security for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Trading System or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms.
- (d) the occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or

obtain market values for the Non-Equity Security.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(D) in case of a **commodity as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the commodity:

- (a) a suspension or a failure of the announcement of the price of the commodity on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
 - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the commodity, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the commodity are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever, or
- (c) the relevant price is a "limit price", which means that the price for the commodity for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Trading System or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms.
- (d) the occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or

obtain market values for the commodity.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(E) in case of a **precious metal as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the precious metal:

- (a) a suspension or a failure of the announcement of the price of the precious metal on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
 - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the precious metal, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the precious metal are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever, or
- (c) the relevant price is a "limit price", which means that the price for the precious metal for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Trading System or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or
- (d) the occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable

discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the precious metal.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(F) in case of an **index as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the Index or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, to each of its Components:

- (a) a suspension or a failure of the announcement of the Price of the Index or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, of the price a Component, on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, by the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
 - (ii) in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Underlying" a "**Consideration of Components**" is specified to be applicable, on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in the Index or, as the case may be, in the Components of the Index in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, in the market(s) on/in which the Components are quoted or traded, provided that a major number or a major part in terms of market capitalisation is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, or by the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Index or, as the case may be, if in the applicable Product Terms in the definition of "Securities" a "**Consideration of Components**" is specified to be applicable, on the Components are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency**

Conversion is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or

- (v) due to a directive of an authority or of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a **"Consideration of Components"** is specified to be applicable, of the stock exchange(s) or of the market(s) on/in which the Components are quoted or traded, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the Relevant Trading System, as the case may be, or by the stock exchange(s) or the market(s) on/in which the Components are quoted or traded) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange or the Relevant Trading System is located, or due to any other reasons whatsoever, or
- (c) the relevant price is a "limit price", which means that the price for the Index or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a **"Consideration of Components"** is specified to be applicable, the affected Component, for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange or the Relevant Trading System, as the case may be, and as specified in the applicable Product Terms, or, if in the applicable Product Terms in the definition of "Securities" a **"Consideration of Components"** is specified to be applicable, the stock exchange(s) or the market(s) on/in which the Components are quoted or traded, or
- (d) the occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Underlying or, as the case may be, and if in the applicable Product Terms in the definition of "Securities" a **"Consideration of Components"** is specified to be applicable, all Components.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Trading System or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Trading System or into the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(G) in case of an **index comprising commodities or precious metals as Components**, where a **"Consideration of Components"** is specified to be applicable, **as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the Index comprising commodities or precious metals as Components or to each of its Components:

- (a) a suspension or a failure of the announcement of the price of the Index or, as the case may be, of the price a Component on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) on the Relevant Exchange or on the stock exchange(s) or in the market(s) on/in which the

Components are quoted or traded, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or

- (ii) on the Relevant Exchange or on the stock exchange(s) or in the market(s) on/in which the Components are quoted or traded, in the Index or, as the case may be, in the Components of the Index, provided that a major number or a major part is concerned, (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange or the stock exchange(s) or the market(s) on/in which the Components are quoted or traded), or
 - (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Index or on the Components are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Exchange (whether by movements in price exceeding limits permitted by the Relevant Exchange or otherwise) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever, or
 - (c) the relevant price is a "limit price", which means that the price for a Component has, at any point during the last fifteen minutes of trading on the Relevant Exchange, increased or decreased from the previous day's closing price by the maximum amount permitted under the applicable rules of the Relevant Exchange or the stock exchange(s) or the market(s) on/in which the Components are quoted or traded, or
 - (d) the occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Underlying or, as the case may be, the affected Component.
- (4) Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(H) in case of an **exchange traded fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the exchange traded Fund Unit:

- (a) a suspension or a failure of the announcement of the price of the Fund Unit on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) on the Relevant Exchange in general (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange), or

- (ii) on the Relevant Exchange in the Funds Unit, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Trading System), or
- (iii) on the Relevant Futures and Options Exchange, if Option Contracts on the Fund Unit are traded there, or
- (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
- (v) due to a directive of an authority or of the Relevant Exchange (e.g. due to movements in price exceeding limits permitted by the Relevant Exchange) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange is located, or due to any other reasons whatsoever, or
- (c) the relevant price is a "limit price", which means that the price for the Fund Unit for a day has increased or decreased from the immediately preceding day's relevant price by the maximum amount permitted under applicable rules of the Relevant Exchange, or
- (d) the occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Fund Unit.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Exchange or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(I) in case of a **not exchange traded fund unit as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the not exchange traded Fund Unit:

- (a) a suspension or a failure of the announcement of the price of the Fund Unit on any day relevant for determining any amounts under these Conditions, or
- (b) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
- (c) the occurrence of any other event that, in the opinion of the Calculation Agent at its reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the Fund Unit.

(J) in case of a **futures contract as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the futures contract:

- (a) a suspension or a failure of the announcement of the price of the Futures Contract on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) on the Relevant Reference Market or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market), or
 - (ii) on the Relevant Reference Market or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, in the futures contract, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms), or
 - (iii) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (iv) due to a directive of an authority or of the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Reference Market or the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, is located, or due to any other reasons whatsoever, or
- (c) a significant change in the method of price determination or in the trading conditions relating to the Futures Contract on the Relevant Reference Market or on the Relevant Exchange, as the case may be, and as specified in the applicable Product Terms, (e.g. in terms of the composition, the quantity or the dealing currency), or
- (d) the occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the futures contract.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading on the Relevant Reference Market announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Reference Market or (ii) the submission deadline for orders entered into the Relevant Reference Market for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(K) in case of an **interest rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the Interest Rate:

- (a) a suspension or a failure of the announcement of the price of the interest rate on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:
 - (i) on the Relevant Reference Market in general (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market), or
 - (ii) on the Relevant Reference Market in relation to the interest rate, provided that a major number or a major part is affected (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market), or
 - (iii) on a futures and options exchange, if option and futures contracts on the interest rate are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Reference Market (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Reference Market is located, or due to any other reasons whatsoever, or
- (c) a significant change in the trading conditions relating to the Interest Rate on the Relevant Reference Market (e.g. in terms of the composition, the quantity or the dealing currency), or
- (d) the occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the interest rate.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading on the Relevant Reference Market announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Reference Market or (ii) the submission deadline for orders entered into the Relevant Reference Market for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(L) in case of a **currency exchange rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the currency exchange rate:

- (a) a suspension or a failure of the announcement of the price of the currency exchange rate on any day relevant for determining any amounts under these Conditions, or
- (b) a Relevant Country (aa) imposes any controls or announces its intention to impose any controls or (bb) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer's and/or any of its affiliates' ability to acquire, hold, transfer or realise the currency used in connection with the currency exchange rate or otherwise to effect

transactions in relation to such currency, or

- (c) the occurrence at any time of an event, which the Issuer and the Calculation Agent determine at their reasonable discretion would have the effect of preventing, restricting or delaying the Issuer and/or any of its affiliates from:
 - (i) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency through customary legal channels or transferring within or from any Relevant Country any of these currencies, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
 - (ii) converting the currency used in connection with the currency exchange rate into the Redemption Currency or into another currency at a rate at least as favourable as the rate for domestic financial institutions located in any Relevant Country;
 - (iii) delivering the currency used in connection with the currency exchange rate from accounts inside any Relevant Country to accounts outside such Relevant Country; or
 - (iv) transferring the currency used in connection with the currency exchange rate used between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country.
- (d) a limitation, suspension or disruption or a restriction imposed on trading, the latter of which is in the Issuer's and Calculation Agent's opinion significant:
 - (i) in the currency used in connection with the currency exchange rate on the Relevant Exchange Market in general, or
 - (ii) on the Relevant Futures and Options Exchange, if Option Contracts on the currency used in connection with the currency exchange rate are traded there, or
 - (iii) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (iv) due to a directive of an authority or of the Relevant Exchange Market or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Exchange Market is located, or due to any other reasons whatsoever.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Exchange Market announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours in the Relevant Exchange Market or (ii) the submission deadline for orders entered into the Relevant Exchange for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

(M) in case of a **reference rate as the Underlying or a Basket Component, as the case may be**, as specified in the definition of "Underlying" contained in the section "Product Terms" of the relevant Final Terms,

in relation to the reference rate:

- (a) a suspension or a failure of the announcement of the price of the reference rate on any day relevant for determining any amounts under these Conditions, or
- (b) a limitation, suspension or disruption of or, subject to the following provisions, a restriction imposed on

trading, the latter of which the Calculation Agent at its reasonable discretion considers significant:

- (i) on the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, in general (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms), or
 - (ii) on the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, in relation to the reference rate, provided that a major number or a major part is concerned (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms), or
 - (iii) on a futures and options exchange, if option and futures contracts on the reference rate are traded there, or
 - (iv) if in the applicable Product Terms in the definition of "Redemption Currency" a "**Currency Conversion**" is specified to be applicable, on the foreign exchange market(s) in which the rates for the Currency Conversion are determined, if applicable, or
 - (v) due to a directive of an authority or of the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, (e.g. due to movements in price exceeding limits permitted by the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms) or due to a moratorium, which is declared in respect of banking activities in the country, in which the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, is located, or due to any other reasons whatsoever, or
- (c) a significant change in the method of price determination or in the trading conditions relating to the reference rate on the Relevant Reference Market or the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, or
- (d) the occurrence of any other event that, in the opinion of the Issuer and the Calculation Agent at their reasonable discretion, disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for the reference rate.

Any closing prior to the scheduled trading time or any restriction of the hours or the number of days during which trading takes place is not deemed to be a Market Disruption, if the restriction is based on a change in regular trading hours on the Relevant Reference Market or at the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, announced in advance at least one (1) hour prior to the earlier of (i) the actual closing time for the regular trading hours on the Relevant Reference Market or at the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, or (ii) the submission deadline for orders entered into the Relevant Reference Market or at the Relevant Reference Agent, as the case may be, and as specified in the applicable Product Terms, for execution on the relevant day. A restriction of trading which is levied during the course of any day due to price developments exceeding certain prescribed limits shall only be deemed to be a Market Disruption if such restriction continues until the end of trading hours on the relevant day.

§ 12

Security Agents

(1) General

The Calculation Agent and the Paying Agent, each as specified in the applicable Product Terms, (the "**Security Agents**") shall assume the role as Security Agent in accordance with these Conditions.

(2) Vicarious Agent

Each of the Security Agents acts exclusively as vicarious agent of the Issuer and has no obligations to the Securityholder.

(3) Replacement, Appointment and Revocation

The Issuer is entitled at any time to replace any or all of the Security Agents by another company, to appoint one or several additional Security Agents, and to revoke their appointments. Such replacement, appointment and revocation shall be notified in accordance with § 14 of these Conditions.

(4) Resignation of Security Agents

Each of the Security Agents is entitled to resign at any time from its function upon prior written notice to the Issuer. Such resignation shall only become effective if another company is appointed by the Issuer as Calculation Agent or as Paying Agent, as the case may be. Resignation and appointment are notified in accordance with § 14 of these Conditions.

§ 13 Substitution of the Issuer

(1) Substitution of the Issuer

Provided that the Issuer is not in default with its obligations under the Securities, the Issuer is at any time entitled, without the consent of the Securityholders, to substitute another company within the BinckBank group as issuer (the "**Substitute Issuer**") with respect to all obligations under or in connection with the Securities, if:

- (i) the Substitute Issuer assumes all obligations of the Issuer under or in connection with the Securities,
- (ii) (A) the Issuer and the Substitute Issuer have obtained all necessary authorisations as well as consents and (B) may transfer to the Principal Paying Agent in the Redemption Currency and without being obligated to deduct or withhold taxes or other duties of whatever nature levied by the country, in which the Substitute Issuer or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Securities,
- (iii) the Substitute Issuer has agreed to indemnify and hold harmless each Securityholder against any tax, duty or other governmental charge imposed on such Securityholder in respect of such substitution, and
- (iii) the Issuer unconditionally and irrevocably guarantees the obligations of the Substitute Issuer.

(2) References

In the event of any such substitution, any reference in these Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer. Furthermore, any reference to the country, in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Issuer.

(3) Publication

The substitution of the Issuer shall be final, binding and conclusive on the Securityholders and will be published to the Securityholders without undue delay in accordance with § 14 of these Conditions.

§ 14
Publications

If and to the extent that binding provisions of effective law provide for other forms of publication, such publications must be made in addition and as provided for. Any such notice shall be effective as of the publishing date (or, in the case of several publications as of the date of the first such publication), unless such notice provides for a later effective date.

To the extent these Conditions provide for a notice pursuant to this § 14 of these Conditions, these will be published on the website of the Issuer at www.turbos.binck.com and become effective vis-à-vis the Securityholders through such publication unless the notice provides for a later effective date.

§ 15

Issue of further Securities; Purchase of Securities, Cancellation

(1) Issue of further Securities

- (1) The Issuer is entitled at any time to issue, without the consent of the Securityholders, further securities having the same terms and conditions as the Securities so that the same shall be consolidated and form a single series with such Securities, and references to "Security" shall be construed accordingly.

(2) Purchase of Securities

The Issuer and any of its subsidiaries is entitled at any time to purchase, without the consent of the Securityholders, Securities at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Securityholders alike. Such Securities may be held, reissued, resold or cancelled, all at the option of the Issuer.

(3) Cancellation of Securities

All Securities redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 16

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§ 17
Governing Law; Jurisdiction

(1) Governing Law

The form and content of the Securities as well as all rights and duties arising from the matters provided for in these Conditions shall, subject to § 17 (2) of these Conditions in every respect be governed by, and shall be construed in accordance with, Dutch law.

(2) Jurisdiction

The courts of Amsterdam, the Netherlands (and any appellate court therefrom) shall have exclusive jurisdiction to settle any proceedings that may arise out of or in connection with any Securities and accordingly any proceedings may be brought in such courts.

§ 18
Corrections; Severability

(a) Modifications and Amendments

The Issuer shall be entitled to modify or amend, as the case may be, these Conditions in each case without the consent of the Securityholders in such manner as the Issuer deems necessary, if the modification or amendment:

- (i) is of a formal, minor or technical nature; or
- (ii) is made to cure a manifest or proven error; or
- (iii) is made to cure any ambiguity; or
- (iv) is made to correct or supplement any defective provisions of these Conditions; or
- (v) is made to correct an error or omission such that, in the absence of such correction, the Conditions would not otherwise represent the intended terms of the Securities on which the Securities were sold and have since traded; or
- (vi) will not materially and adversely affect the interests of the Securityholders.

(b) Publication

Any modification or amendment of these Terms and Conditions shall take effect in accordance with its terms and be binding on the Securityholders, and shall be notified to the Securityholders in accordance with § 14 of these Conditions (but failure to give such notice, or non-receipt thereof, shall not affect the validity of such modification or amendment).

(c) Invalidity in whole or in part

If any of the provisions of these Conditions is or becomes invalid in whole or in part, the remaining provisions shall remain valid. The invalid provision shall be replaced by a valid provision, which, to the extent legally possible, serves the economic purposes of the invalid provision. The same applies to gaps, if any, in these Conditions.

§ 19

Intentionally left blank

§ 20

Intentionally left blank

§ 21

Intentionally left blank

7. FORM OF FINAL TERMS**FINAL TERMS****[No. *[insert]*]**

dated [•]

in connection with the Base Prospectus dated 7 June 2019
(as supplemented from time to time)

of

BINCKBANK N.V.

(a public limited liability company incorporated in the Netherlands
with its statutory seat in Amsterdam, the Netherlands)



for the issue of up to

[insert Issue Size: •]**Security Code: BCK [•]****linked to *[insert Underlying: •]***

These final terms (the "**Final Terms**") have been prepared for the purpose of Article 5(4) of the Prospectus Directive and provide additional information to the base prospectus dated 7 June 2019, as supplemented from time to time (the "**Base Prospectus**", together with the Final Terms, the "**Prospectus**") that was prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the "**DFSA**") and the rules promulgated thereunder. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus.

These Final Terms must be read in conjunction with the Base Prospectus and its supplement(s). Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus, as supplemented from time to time. However, a summary of the individual issue of the Securities is annexed to these Final Terms. The Base Prospectus, any supplement to the Base Prospectus and these Final Terms are available for viewing on the website of the Issuer at www.turbos.binck.com. Copies may be obtained during normal business hours at the registered offices of the Issuer.

[in case of an increase of Securities having been offered under the Base Prospectus insert the following text: The Securities will be consolidated and form a single series with the previously issued Securities with Security Code: BCK[•]]

[in case of an increase of Securities having been offered under a previous base prospectus insert the following text:
 The Securities will be consolidated and form a single series with the previously issued Securities with Security Code: BCK[•]

Terms used herein shall be deemed to be defined as such for the purposes of [the terms and conditions as referred to on pages 88 up to and including 197 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 7 June 2017 (the "**2018 Conditions & Final Terms**") [the terms and conditions as referred to on pages 80 up to and including 186 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 10 June 2016 (the "**2017 Conditions & Final Terms**") [the terms and conditions as referred to on pages 76 up to and including 181 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 10 June 2016 (the "**2016 Conditions & Final Terms**") each of which have been incorporated by reference in, and form part of the base prospectus dated 7 June 2019, as supplemented from time to time (the "**Base Prospectus**", together with the Final Terms, the "**Prospectus**").

These Final Terms must be read in conjunction with the Base Prospectus and its supplement(s) save in respect of the [2016/2017/2018] Conditions & Final Terms incorporated by reference therein. Full information on the Issuer and the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus, as supplemented from time to time. However, a summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus, the [2016/2017/2018] Conditions & Final Terms incorporated by reference therein, any supplement to the Base Prospectus and these Final Terms are available for viewing on the website of the Issuer at www.turbos.binck.com. Copies may be obtained during normal business hours at the registered offices of the Issuer.]

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OVERVIEW ON THE SECURITY STRUCTURE

[if the Securities are issued as Turbo's Long, insert the following:

Turbo's Long:

[Insert description of the relevant Turbo's Long from the section "General information on the Securities – 14. Functioning of the Securities", leaving out terms not relevant for the Security, and/or replacing them with their defined content, as appropriate. For these purposes, information or product types not already described in the Base Prospectus may not be included.]

During their term, the Turbo's Long do not generate any regular income (e.g. dividends or interest).]

[if the Securities are issued as Turbo's Short, insert the following:

Turbo's Short:

[Insert description of the relevant Turbo's Short from the section "General information on the Securities – 14. Functioning of the Securities", leaving out terms not relevant for the Security, and/or replacing them with their defined content, as appropriate. For these purposes, information or product types not already described in the Base Prospectus may not be included.]

During their term, the Turbo's Short do not generate any regular income (e.g. dividends or interest).]

[if the Securities are issued as Turbo's XL Long, insert the following:

Turbo's XL Long:

[Insert description of the relevant Turbo's XL Long from the section "General information on the Securities – 14. Functioning of the Securities", leaving out terms not relevant for the Security, and/or replacing them with their defined content, as appropriate. For these purposes, information or product types not already described in the Base Prospectus may not be included.]

During their term, the Turbo's XL Long do not generate any regular income (e.g. dividends or interest).]

[if the Securities are issued as Turbo's XL Short, insert the following:

Turbo's XL Short:

[Insert description of the relevant Turbo's XL Short from the section "General information on the Securities – 14. Functioning of the Securities", leaving out terms not relevant for the Security, and/or replacing them with their defined content, as appropriate. For these purposes, information or product types not already described in the Base Prospectus may not be included.]

During their term, the Turbo's XL Short do not generate any regular income (e.g. dividends or interest).]

PART A - PRODUCT TERMS

The following "**Product Terms**" of the Securities shall, for the relevant Securities, amend and put in concrete terms the General Conditions for the purposes of such Securities. A version of these Product Terms as amended and completed for the specific issue will be contained in the applicable Final Terms and must be read in conjunction with the General Conditions.

The Product Terms are composed of:

Part 1: Key Terms and Definitions of the Securities; and

Part 2: Special Conditions of the Securities (for the individual types of Securities).

Product Terms and General Conditions together constitute the "**Conditions**" of the relevant Securities.

In the event of any inconsistency between these Product Terms and the General Conditions, these Product Terms shall prevail for the purposes of the Securities.

*[Insert security specific Product Terms comprising "Part 1: Key Terms and Definitions of the Securities and "Part 2: Special Conditions of the Securities" as amended and completed for the specific issue of Securities. (If the Product Terms relates to more than one series (each a "**Series**") of Securities, to the extent that any term differs for one or more Series, insert for the relevant item in table.)]*

PART B - OFFERING AND SALE**I. Offering for Sale and Issue Price****Offering for Sale and Issue Price**

The [*specify designation of the Turbo's Long / Short or Turbo's XL Long / Short: [●]*] (the "**Securities**", and each a "**Security**") are issued by the Issuer in the Issue Size.

[The Issue Price [will be] [was] fixed [at the Start of the public offer of the Securities (as defined in "II. Subscription, Purchase and Delivery of the Securities" below)] [on the Fixing Date], [based on the prevailing market situation and the price of [the Underlying] [*if appropriate, insert different point of reference to an Underlying comprised in the Base Prospectus: [●]*] [, and [will [then] be made] [is] available at the Issuer.].] [As of the Start of the public offer of the Securities] [As of the Fixing Date] [Thereafter,] the selling price [will [then] be] [was] adjusted on a continual basis to reflect the prevailing market situation.]

[Issue Size:

The Issue Size means [●] [Securities]. [indicative. The Issue Size will be fixed [on the Fixing Date [at the Fixing Time].*]]

[Aggregate Amount of the Issue:

[Issue Price x Issue Size] [●]. [indicative. The Aggregate Amount of the Issue will be fixed on the Fixing Date [at the Fixing Time].*]]

Issue Date:

The Issue Date means [●].

Issue Price:

[The Issue Price equals [●].] [indicative. The Issue Price will be fixed on the Fixing Date [at the Fixing Time].]

Estimated expenses charged to the investor by the Issuer:

[Not applicable; no expenses are charged to the investor by the Issuer] [*to be inserted*].

II. Subscription, Purchase and Delivery of the Securities**Subscription, Purchase and Delivery of the Securities**

[As of the Start of the public offer of the Securities, the] [The Securities may be purchased from the Issuer during normal banking hours]. [The offer of the Securities is made on a continuous basis.] There will be no subscription period. The Issue Price per Security is payable on the Initial Payment Date, or in case of Securities purchased on or after the Initial Payment Date, on the second business day after the purchase date.

Only customers of BinckBank (i) who hold a brokerage account with BinckBank, and (ii) who are residents of a Relevant Member State, can purchase the Securities.

Upon receipt of the Issue Price per Security on the Initial Payment Date, or in case of Securities purchased on or after the Initial Payment Date, on the second business day after the purchase date, the appropriate number of Securities shall be credited to the investor's securities account with BinckBank by way of book-entry in such securities account.

[Start of the public offer of the Securities: *[specify start of the public offer of the Securities: [●]]*

[Information with regard to the manner and date of the offer: *[give details with regard to the manner and date in which results of the offer are to be made public: [●].]*

Initial Payment Date: The Initial Payment Date means [●].

PART C – OTHER INFORMATION**I. Intentionally left blank****II. Intentionally left blank****III. Listing and Trading****Listing and Trading**

The Issuer does not intend to apply for admission of the Securities to trading on a regulated market or other equivalent market.

The Securities will become tradable on the electronic trading systems CATS-OS and/or CATS-LS (collectively "**CATS**"), operated by Boerse Stuttgart cats GmbH (or its successor in respect of CATS). CATS is a bilateral trading system and only facilitates bilateral transactions.

[Provided that the Securities have not been terminated by the Issuer [and provided that the Securities have not expired early] prior to the Expiration Date, trading of the Securities shall cease [[two] [•] trading day[s] prior to] [on] [the Valuation Date] [the Final Valuation Date] [the Expiration Date] [the Redemption Date] [•] (such day, the "**Last Exchange Trading Day**"). [As of the Last Exchange Trading Day trading may only take place off exchange with the Market Maker] [•].]]]

[Last Exchange Trading Day:

The Last Exchange Trading Day means [*specify last exchange trading day:* [•]].]

[Last Exchange Trading Time:

The Last Exchange Trading Time means [*specify last exchange trading time:* [•]].]

IV. Intentionally left blank**V. Rating****Ratings:**

The Securities have not been rated.

VI. Intentionally left blank**VII. Intentionally left blank****VIII. Intentionally left blank**

PART D – Intentionally left blank**PART E – INFORMATION ABOUT THE UNDERLYING**

The following information about [the Underlying] [the Underlyings] comprises extracts or summaries of information publicly available. The Issuer confirms that such information has been accurately reproduced. As far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

[The following information describes [the Underlying] [the Underlyings]: [●]]

[If applicable, indication of source(s) of information given in this section: [●]]

[Indication where information about the past and the further performance of [the Underlying] [the Underlyings] and [its] [their] volatility can be obtained: [●]]

[If applicable, insert a description of the share / the certificate representing shares [with Security Code and name of the relevant issuer]: [●]]

[If applicable, insert a description of the Index [with Security Code, if available, and name of the relevant index sponsor, and where information about the index can be obtained]: [●]]

[If applicable, insert a description of the currency exchange rate [with Security Code, if available]: [●]]

[If applicable, insert a description of the precious metal [with Security Code, if available]: [●]]

[If applicable, insert a description of the commodity [with Security Code, if available]: [●]]

[If applicable, insert a description of the interest rate [with Security Code, if available]: [●]]

[If applicable, insert a description of the non-equity security [with Security Code, if available, and name of the relevant issuer]: [●]]

[If applicable, insert a description of the fund unit [with Security Code, if available, and name of the relevant fund company]: [●]]

[If applicable, insert a description of the futures contract [(if applicable, including determination of the Relevant Expiration Months)]: [●]]

[If applicable, insert a description of the reference rate [with Security Code, if available]: [●]]

[If applicable, insert a description of the Basket comprising the aforementioned assets [with Security Code, if available, and the weighting of the Basket components]: [●]]

[If applicable, insert clear and prominent information stating whether the benchmark is provided by an administrator included in the register referred to in Article 36 of the Benchmark Regulation: [●]]

ANNEX TO THE FINAL TERMS: ISSUE SPECIFIC SUMMARY

This summary relates to [*specify designation of the Turbo's Long / Short or Turbo's XL Long / Short: [•]*] described in the final terms (the "**Final Terms**") to which this summary is annexed. This summary contains that information from the summary set out in the Base Prospectus which is relevant to the Securities together with the relevant information from the Final Terms. Words and expressions defined in the Final Terms and the Base Prospectus have the same meanings in this summary.

[Insert completed summary by amending and completing the summary of the base prospectus as appropriate to the terms of the specific issue].

8. INFORMATION ABOUT THE UNDERLYING

The Securities may be based on the performance of a share (including a certificate representing shares), an index, a currency exchange rate, a precious metal, a commodity, an interest rate, a non-equity security, a fund unit, a futures contract, or, as the case may be, and as specified in the relevant Final Terms, a reference rate (including, but not limited to, interest rate swap (IRS) rates, currency swap rates or, as the case may be, credit default swap levels), as well as a basket comprising the aforementioned assets.

If an index is used as Underlying or, as the case may be, a Basket Component, such index will, in any case, not be composed by the Issuer or a legal entity belonging to the BinckBank group.

In case an Underlying or, as the case may be, a Basket Component, used to determine any amount payable under the Conditions qualifies as a benchmark within the meaning of the Benchmark Regulation, the applicable Final Terms shall, if required in accordance with the Benchmark Regulation, include clear and prominent information stating whether the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the Benchmark Regulation. Furthermore transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

The applicable Final Terms will specify the relevant Underlying and state where information on the relevant Underlying, in particular on its past and future performance and on its volatility, can be found and whether or not the Issuer intends to provide further information on the Underlying.

9. SUBSCRIPTION AND SALE

The offering, sale and delivery of the Securities is restricted to customers of BinckBanck (i) who hold a brokerage account with BinckBank, and (ii) who are residents of a Relevant Member State. The Securities may not be offered, sold or delivered in any jurisdiction outside the European Economic Area

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR THE ADEQUACY OF THE BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED OR BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. THE SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

10. TAXATION**Taxation in the Netherlands****1. Scope of Discussion**

The following is a general summary of certain material Netherlands tax considerations of the acquisition, holding and disposal of the Securities. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a holder or prospective holder of Securities or to a decision to acquire, hold or dispose of the Securities, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trust and similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution.

This summary is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, and all of which are subject to change or to different interpretation, possibly with retroactive effect. Where the summary refers to "the Netherlands" it refers only to the part of the Kingdom of the Netherlands located in Europe.

This discussion is for general information purposes only and is not tax advice or a complete description of all tax consequences relating to the acquisition, holding and disposal of the Securities. Holders or prospective holders or purchasers of the Securities should consult their own tax advisers as to the tax consequences of investing in, and acquiring, holding and disposing of, the Securities and receiving payments under the Securities in their particular circumstances. The discussion below is included for general information purposes only.

The Issuer does not assume any responsibility for the withholding of taxes at the source.

Please note that this summary does not describe the Netherlands tax consequences for:

- (i) holders of Securities if such holders, and in the case of individuals, such holder's partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in BinckBank under the Netherlands Income tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with such holder's partner (as defined in the Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in the Netherlands Corporate Income Tax Act 1969; *Wet op de vennootschapsbelasting 1969*) and other entities that are, in whole or in part, not subject to or exempt from Netherlands corporate income tax;
- (iii) holders of Securities who are individuals for whom the Securities or any benefit derived from the Securities are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Netherlands Income Tax Act 2001).

Where this summary refers to a holder of a Security, an individual holding a Security or an entity holding a Security, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Security or otherwise being regarded as owning a Security for Netherlands tax purposes. It is noted that for purposes of Netherlands income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee,

foundation or similar entity, may be treated as assets owned by the (deemed) settlor, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

2. Withholding Tax

All payments by BinckBank in respect of a Security can be made free of withholding or deduction of any taxes of, for or on account of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

3. Taxes on Income and Capital Gains

Netherlands Resident Entities

An entity holding a Security which is, or is deemed to be, resident in the Netherlands for Netherlands corporate income tax purposes (a "Netherlands Resident Entity"), will generally be subject to Netherlands corporate income tax in respect of income or a capital gain derived from a Security at a rate of 19% with respect to taxable profits up to EUR 200,000 and 25% with respect to taxable profits in excess of that amount (rates and brackets for 2019).

Netherlands Resident Individuals

An individual holding a Security who is, or is deemed to be, resident in the Netherlands for income tax purposes (a "Netherlands Resident Individual") will be subject to income tax in respect of income or a capital gain derived from a Security at the progressive income tax rates up to 51.75 per cent (in 2019) if:

- (i) the Securities, or income or capital gain from the Securities, are attributable to an enterprise from which the holder of Securities derives a share in the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise (other than as a shareholder) (as defined in the Netherlands Income Tax Act 2001); or
- (ii) the income or capital gain from the Securities qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Netherlands Income Tax Act 2001, including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If the above-mentioned conditions (i) and (ii) do not apply to the Netherlands Resident Individual, such Netherlands Resident Individual will be taxed annually on a deemed return (with a maximum of 5.60% in 2019) on the Netherlands Resident Individual's net investment assets (*rendementsgrondslag*) for the year, insofar the individual's net investment assets for the year exceed a statutory threshold (*heffingvrij vermogen*). The deemed return on the Netherlands Resident Individual's net investment assets for the year is taxed at a rate of 30%. Actual income, gains or losses in respect of the Securities are as such not subject to Netherlands income tax.

The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Securities are included as investment assets. For the net investment assets on 1 January 2019, the deemed return ranges from 1.94% up to 5.60% (depending on the aggregate amount of the net investment assets on 1 January 2019). The deemed return will be adjusted annually on the basis of historic market yields.

Non-residents of the Netherlands

A holder of a Security which is neither a Netherlands Resident Entity nor a Netherlands Resident Individual will not be subject to Netherlands taxation on income or capital gains derived from a Security provided that:

- (i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Netherlands Income Tax Act 2001 and the Netherlands Corporate income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment (*vaste*

inrichting) or permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise the Securities or income from Securities are attributable; or

- (ii) in the event the holder is an individual, the income or capital gain does not qualify as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Netherlands Income Tax Act 2001, including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

4. Gift and Inheritance Taxes

Netherlands Resident Entities & Netherlands Resident Individuals

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Securities by way of a gift by or on the death of, a holder of such Securities who is resident or deemed resident of the Netherlands at the time of the gift or such holder's death.

Non-residents of the Netherlands

No gift or inheritance tax will arise in the Netherlands with respect to a transfer of Securities, by way of gift by, or on the death of, a holder of a Security, who is neither a resident nor a deemed resident of the Netherlands, unless:

- (i) in case of a gift of a Security by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands;
- (ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident of the Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or such person's death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable treaties may override deemed residency.

5. Value Added Tax

The issuance or transfer of a Security and payments under a Security will not be subject to value added tax in the Netherlands.

6. Other Taxes

No Netherlands registration tax, stamp duty or any other similar documentary tax or duty will be payable by a holder of a Security in respect of (i) the issue of the Security or (ii) the payments by the Issuer under the Security.

Taxation in Belgium

The following is a general summary of the principal Belgian tax considerations with respect to the acquisition, holding and disposal of the Securities in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Securities. In some cases, different rules may be applicable. Furthermore, the tax rules can be amended in the future, possibly with retrospective effect, and the interpretation of the tax rules may change.

This summary is based on the Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this offer in Belgium, without prejudice to any amendments introduced at a later date, even if implemented with retrospective effect.

This summary does not describe the tax consequences for a holder of Securities that are redeemable in exchange for, or convertible into shares, of the exercise, settlement or redemption of such Securities and/or any tax consequences after the moment of exercise, settlement or redemption.

Each prospective holder of Securities should consult a professional adviser with respect to the tax consequences of an investment in the Securities, taking into account the influence of each regional, local or national law.

For Belgian tax purposes, if the interest is in a foreign currency, it is converted into euro on the date of payment or attribution.

1. Income taxation - Withholding tax

Introduction

On 25 January 2013, the Belgian tax authorities issued a circular letter on the Belgian tax treatment of income from structured securities characterised by an uncertain return on investment due to the variation of the coupons or the repayment terms at maturity, such as securities whose return is linked to the evolution of underlying products. According to the circular letter, the transfer of structured securities to a third party (other than the Issuer) results in taxation as interest income of the "pro rata interest", calculated on an unclear formulae. In addition, any amount paid in excess of the initial issue price upon redemption or repayment of the structured securities is considered as interest for Belgian tax purposes. There is considerable debate on whether the circular letter is in line with Belgian tax legislation.

Furthermore, it is unclear whether the Belgian tax authorities will seek to apply the principles set out in the circular letter to the Securities.

It is assumed that any gains realised upon redemption or repayment by the Issuer will indeed be viewed as interest by the Belgian tax authorities (and any such gains are therefore referred to as "interest" for the purposes of the following paragraphs), but that the effective taxation of the "pro rata interest" in case of sale to a third party (i.e. other than the Issuer) would not be possible, on the basis that it is currently impossible to determine the amount of the "pro rata interest".

Repayment or redemption by the Issuer

(i) Belgian resident individuals

Individuals who are holders of Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*), are subject to the following tax treatment with respect to the Securities in Belgium. Other rules may be applicable in special situations, in particular when individuals resident in Belgium acquire the Securities for professional purposes.

Payments of interest on the Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Securities in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

Nevertheless, Belgian resident individuals may elect to declare interest on the Securities in their personal income tax return. Also, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared this way will in principle be taxed at a flat rate of 30 per cent (or at the relevant

progressive personal income tax rate(s), taking into account the taxpayer's other declared income, whichever is more beneficial) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability.

(ii) Belgian resident companies

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*) are subject to the following tax treatment with respect to the Securities in Belgium. Interest received by Belgian corporate investors on the Securities will be subject to Belgian corporate income tax at the applicable corporate income tax rates. The ordinary corporate income tax rate in Belgium is 29.58% as of assessment year 2019 linked to a taxable period starting at the earliest on 1 January 2018. Small and medium-sized companies are taxable at the reduced corporate income tax rate of 20.4% on the first tranche of taxable profits of EUR 100,000. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the ordinary corporate income tax rate will be 25% and the reduced corporate income tax 20%. If the income has been subject to a foreign withholding tax, a foreign tax credit may be available (subject to conditions). For interest income, the foreign tax credit is generally equal to a fraction where the numerator is equal to the foreign tax and the denominator is equal to 100 minus the rate of the foreign tax, up to a maximum of 15/85 of the net amount received (subject to some further limitations and conditions). Capital losses are in principle tax deductible. Interest payments on the Securities made through a paying agent in Belgium are in principle subject to a 30 per cent withholding tax, but can under certain circumstances be exempt from Belgian withholding tax, provided that certain formalities are complied with. The withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities (*Rechtspersonenbelasting/Impôt des personnes morales*) are subject to the following tax treatment with respect to the Securities in Belgium.

Payments of interest on the Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent withholding tax in Belgium and no further tax on legal entities will be due on the interest. However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the deduction and payment of the 30 per cent withholding tax.

Sale to a third party

As mentioned above, although the above Circular Letter of 25 January 2013 indicates that the transfer of the Securities to a third party (other than the Issuer) results in taxation as interest income of the "pro rata interest", it is assumed that the effective taxation of such "pro rata interest" is impossible as the amount of the "pro rata interest" cannot be determined. On that basis, no Belgian withholding tax should apply to the Securities.

(i) Belgian resident individuals

Individuals who are holders of Securities and who are Belgian residents for tax purposes, i.e. who are subject to Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*), are currently not liable to Belgian income tax on the capital gains (if any) realised upon disposal of the Securities to a third party, provided that the Securities have not been used for their professional activity and that the capital gain is realised within the framework of the normal management of their private estate. Capital losses realised upon disposal of the Securities held as a non-professional investment are in principle not tax deductible.

Furthermore, Belgian resident individuals may be subject to a 33 per cent Belgian income tax (plus local surcharges) if the capital gains on the Securities are deemed to be speculative or outside the scope of the normal management of the individuals' private estate. Capital losses arising from such transactions are in principle not tax deductible.

Finally, capital gains realised upon transfer of Securities held for professional purposes are taxable at the ordinary progressive income tax rates (plus local surcharges), except for Securities held for more than five years, which are taxable at a separate rate of 16.5 per cent (plus local surcharges). Capital losses on the Securities incurred by Belgian resident individuals holding the Securities for professional purposes are in principle tax deductible.

(ii) Belgian resident companies

Corporations that are Belgian residents for tax purposes, i.e. that are subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*), are liable to Belgian corporate income tax on the capital gains (if any) realised upon disposal of the Securities to a third party, irrespective of whether such Securities relate to shares or other assets or indices. The ordinary corporate income tax rate in Belgium is 29.58% as of assessment year 2019 linked to a taxable period starting at the earliest on 1 January 2018. Small and medium-sized companies are taxable at the reduced corporate income tax rate of 20.4% on the first tranche of taxable profits of EUR 100,000. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the ordinary corporate income tax rate will be 25% and the reduced corporate income tax 20%. Capital losses realised upon disposal of the Securities are in principle tax deductible.

(iii) Other Belgian legal entities

Non-corporate legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities (*Rechtspersonenbelasting/Impôt des personnes morales*), are currently not liable to Belgian income tax on capital gains (if any) realised upon disposal of the Securities to a third party. Capital losses realised upon disposal of the Securities are in principle not tax deductible.

2. Tax on stock exchange transactions

No tax on stock exchange transactions is due upon subscription to the Securities (primary market transactions). Secondary market trades in respect of the Securities will give rise to a tax on stock exchange transactions (*Taks op de beursverrichtingen/Taxe sur les opérations de bourse*) if carried out in Belgium through a professional intermediary. The tax is generally due currently at a rate of 0.35 per cent on each sale and acquisition separately, with a maximum of EUR 1,600 per taxable transaction.

The scope of application of the tax on stock exchange transactions has been extended by the Law of 25 December 2016. Consequently, as of 1 January 2017, the tax also applies to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium. Within that context, the tax on stock exchange transactions is due by the Belgian investor unless he is able to demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary that is established outside of Belgium. In that case, the foreign professional intermediary has to deliver a qualifying order statement (*borderel/bordereau*) to each client at the latest on the business day after the day on which the transaction was carried out. As an alternative, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities. Such a stock exchange tax representative is then considered liable towards the Belgian Treasury for the tax on stock exchange transactions due and for the fulfilment of the reporting obligations. If the tax on stock exchange transactions is paid by the stock exchange tax representative, the Belgian investor will no longer be considered the debtor of the tax on stock exchange transactions.

A tax on repurchase transactions (*taks op de reporten/taxe sur les reports*) at the rate of 0.085% will be due from each party to any such transaction in which a stockbroker acts for either party (subject to a maximum of EUR 1,300 per party and per transaction).

Neither of the taxes referred to above will however be payable by exempt persons acting for their own account, including investors who are not Belgian residents, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status, and certain Belgian institutional investors as defined in art. 126.1,2° of the Code of miscellaneous duties and taxes (Wetboek diverse rechten en taksen/Code des droits et taxes divers) for the tax on stock exchange transactions and article 139, §2 of the same code for the tax on repurchase transactions.

Note that the European Commission has published a proposal for a Directive for a common financial transactions tax (the FTT). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC Of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should this be abolished once the FTT enters into force.

The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

3. Tax on securities accounts

The Belgian government announced in its Summer Agreement of 26 July 2017 that it intended to introduce a tax on securities accounts ("taks op de effectenrekeningen"). The Act of 7 February 2018 on the implementation of the tax on securities accounts lays down the legal provisions in this regard.

The tax is due by Belgian individual tax residents and individual non-residents who hold one or more securities accounts with an average total value of at least EUR 500,000 per account holder. For Belgian individual tax residents both the securities accounts of an account holder in Belgium and abroad will be taken into account to determine whether the threshold of EUR 500,000 has been reached, while for individual non-residents, only the Belgian securities accounts will be taken into account. Moreover, according to the Act, only the following securities are taken into account for the calculation of the threshold: (i) listed or unlisted shares and depositary receipts for shares; (ii) bonds, whether or not listed, and depositary receipts in respect of bonds; (iii) listed or unlisted units of collective investment funds or shares of investment companies, unless they are purchased or subscribed to in the context of a life insurance policy or pension savings; (iv) savings bonds; and (v) warrants.

The tax on securities accounts is an annual tax that is levied at a rate of 0.15%. The tax is calculated on the average value of the taxable financial instruments that the account holder holds on his or her securities account(s). Please note that the tax is levied on the entire amount of the average value and not just on the amount exceeding the limit of EUR 500,000.

The Act of 7 February 2018 on the implementation of the tax on securities accounts has been published in the Belgian Official Gazette on 9 March 2018 and entered into force on 10 March 2018, i.e. the day following the publication of the Act in the Belgian Official Gazette.

Investors are recommended to consult their own tax advisors as regards the specific consequences of the application of this tax on their tax position.

4. Common Reporting Standard

The Amending Cooperation Directive 2014/107/EU ("DAC2") implemented the exchange of information based on the Common reporting Standard ("CRS") within the EU and, as to prevent overlap, repealed the EU Savings Directive as from 1 January 2016 (1 January 2017 in the case of Austria). On 15 January 2018, 98 jurisdictions signed the multilateral competent authority agreement ("MCAA"), which is a multilateral framework agreement in order to automatically exchange financial and personal information.

Under CRS, financial institutions resident in a CRS country (more than 80 jurisdictions) are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

The first mandatory automatic exchange of information by EU Member States in accordance with DAC2 will take place by 30 September 2017 and will concern information from tax year 2016 (except for Austria, which is allowed to exchange information by 30 September 2018 instead of by 30 September 2017).

The Amending Cooperation Directive and CRS have been transposed in Belgium by the law of 16 December 2015, which provides for the application of the mandatory automatic exchange of information in Belgium (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only expected as of income year 2017), (ii) as of income year 2014 (first information exchange in 2016) towards the US and (iii) as of the date to be determined by Royal Decree, towards any other non-EU state that has signed the MCAA.

Prospective holders of the Securities are advised to seek their own professional advice in relation to the CRS and EU Council Directive 2014/107/EU.

11. GENERAL INFORMATION**1. Form of document**

This document constitutes a base prospectus according to Article 5(4) of the Prospectus Directive (Directive 2003/71/EC, as amended) and has been prepared in accordance with Chapter 5.1 of the DFSA and the rules promulgated thereunder.

As such, this Base Prospectus contains all information which was known at the time this Base Prospectus has been approved. Final terms will be prepared in respect of the Securities and will contain the information which can only be determined at the time of the individual issue of Securities under this Base Prospectus.

2. Publication

This Base Prospectus has been published on the website of the Issuer at www.turbos.binck.com

Final Terms or of the Summary as amended by the relevant Final Terms, will be published on the website of the Issuer at <http://www.turbos.binck.com/>

This Base Prospectus and the Final Terms will also be available at the registered office of the Issuer.

3. Authorisation

The issue of Securities under this Base Prospectus has been duly authorised by a resolution of the Executive Board of the Issuer dated 2 June 2014 and a resolution of the Supervisory Board of the Issuer dated 2 June 2014.

4. Approval of the Base Prospectus

This Base Prospectus has been approved by Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) on 7 June 2019.

5. Use of proceeds

The net proceeds from each issue of Securities will be applied by the Issuer for its general corporate purposes, which include making a profit.

6. Independent auditor

Deloitte Accountants B.V. has audited the Issuer's consolidated financial statements for the financial years ended 31 December 2017 and 31 December 2018.

The auditor who has signed the independent auditor's reports on behalf of Deloitte Accountants B.V. is a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants (NBA)*). Deloitte Accountants B.V. has no interest in the Issuer.

The independent auditor's reports of Deloitte Accountants B.V. are incorporated into this Base Prospectus by reference in the form and context in which they are included, with the consent of Deloitte Accountants B.V. See "*Important information - incorporation by reference*".

7. Documents on display

Copies (in print) of the following documents are available free of charge at the Issuer's head office at Barbara Strozilaan 310, 1083 HN Amsterdam, the Netherlands, during normal business hours and in electronic form from

the website of the Issuer at www.turbos.binck.com, at least for a period of 12 months following the date of this prospectus:

- i. the Issuer's unaudited interim consolidated financial statements for the three-month period ended 31 March 2019, included in the Dutch language version of its first quarterly report 2019 ("**Interim Report 2019**") on pages 1, 4 - 7;
- ii. the Issuer's audited consolidated and company financial statements for the financial year ended 31 December 2018 included in the Dutch language version of its annual report 2018 ("**Annual Report 2018**") on pages 95 - 212 as well as the independent auditor's report Deloitte Accountants B.V. included in the Annual Report 2018 on pages 213 to 217;
- iii. the Issuer's audited consolidated and company financial statements for the financial year ended 31 December 2017 included in the Dutch language version of its annual report 2017 ("**Annual Report 2017**") on pages 88 to 195, as well as the independent auditor's report Deloitte Accountants B.V. included in the Annual Report 2017 on pages 196 to 200;
- iv. the chapters titled "Conditions of the Securities" and "Form of Final Terms" on
 - a. pages 88 up to and including 197 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 7 June 2018 (the "**2018 Conditions & Final Terms**");
 - b. pages 80 up to and including 186 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 7 June 2017 (the "**2017 Conditions & Final Terms**");
 - c. pages 76 up to and including 181 of the base prospectus of the Issuer for the issue of Turbo's and Turbo's XL, dated 10 June 2016 (the "**2016 Conditions & Final Terms**");
- v. the Issuer's articles of association.

8. Post-issuance information

The Issuer does not intend to provide any post-issuance information.

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Registered office of the Issuer

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