

**LAUNCHPAD PROGRAMME**

**SUPPLEMENT DATED 18 AUGUST 2008**



**ABN AMRO Bank N.V.**

*(incorporated in The Netherlands with its statutory seat in Amsterdam)*

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FIRST SUPPLEMENT TO THE BASE PROSPECTUS RELATING TO

**CERTIFICATES**

ABN AMRO BANK N.V.

LAUNCHPAD PROGRAMME

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This Supplement (the “**Supplement**”) to the Base Prospectus relating to Certificates dated 1 July 2008 (the “**Certificates Base Prospectus**”) issued under the LaunchPAD Programme (the “**Programme**”) established by ABN AMRO Bank N.V. (the “**Issuer**”) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC (the “**Prospectus Directive**”) and is prepared in connection with the Programme. Terms defined in the Certificates Base Prospectus have the same meaning when used in this Supplement, unless the context otherwise requires.

This Supplement is supplemental to, and should be read in conjunction with, the Certificates Base Prospectus.

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

The Issuer proposes to issue Index and Inflation Index Express Certificates (the “**New Certificates**”) under the Programme. Accordingly, the following amendments are made to the Certificates Base Prospectus:

- the Product Conditions on pages 72 to 450 of the Certificates Base Prospectus shall be deemed to be amended by insertion of the Product Conditions relating to the New Certificates as set out in Annex A to this Supplement immediately before the heading entitled “Index Descriptions” on page 451 of the Certificates Base Prospectus;
- the form of Final Terms on pages 457 to 530 of the Certificates Base Prospectus shall be deemed to be amended by the insertion of the text in Annex B immediately before the heading “Responsibility” on page 530 of the Certificates Base Prospectus; and

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

There has been no significant change in the financial position of the Issuer since 31 December 2007. There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2007 other than resulting from the acquisition of ABN AMRO Holding N.V. by RBS, Fortis and Santander (the “**Consortium Banks**”) and the transition of entities and businesses resulting from this. Please refer to page 6 of the Registration Document for an update on the restructuring.

Save as disclosed in this Supplement, there has been no significant new factor, material mistake or inaccuracy relating to information included in the Certificates Base Prospectus since the publication of the Certificates Base Prospectus.

## ANNEX A

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### CONDITIONS: PRODUCT CONDITIONS RELATING TO INDEX AND INFLATION INDEX EXPRESS CERTIFICATES

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*The Product Conditions which follow relate to the Securities and must be read in conjunction with, and are subject to, the applicable Final Terms and the General Conditions (whether or not attached to this document). The applicable Final Terms, the Product Conditions and the General Conditions together constitute the Conditions of the Securities and will be printed on any Definitive Securities and attached to any Global Security representing the Securities.*

#### 1. DEFINITIONS

“**Agent**” means each of the Principal Agent and Agent(s), each as specified in the applicable Final Terms, each acting through its specified office and together, the “**Agents**”, which expression shall include any other Agent appointed pursuant to the provisions of General Condition 12;

“**Basket**” means, unless Basket is specified as Not Applicable in the applicable Final Terms, the basket specified as such in the definition of the relevant Series in the applicable Final Terms, subject to Product Condition 4;

“**Business Day**” means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London and a day on which each Clearing Agent is open for business;

“**Cash Amount**” means the amount specified as such in, or an amount determined by the Calculation Agent in accordance with the formula specified as such in, the definition of the relevant Series in the applicable Final Terms, less Expenses. The Cash Amount shall be rounded to the nearest two decimal places in the Settlement Currency, 0.005 being rounded downwards;

“**Clearing Agent**” means each clearing agent and clearance system specified as such in the applicable Final Terms and such further or alternative clearing agent(s) or clearance system(s) as may be approved by the Issuer from time to time and notified to the Holders in accordance with General Condition 4 (each a “**Clearing Agent**” and together the “**Clearing Agents**”);

“**Coupon**” means an interest coupon attached to each Security (if in definitive form) (if any) representing an entitlement in respect of an Interest Amount;

**“Early Termination Amount”** means the amount or amounts (if any) specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Early Termination Date”** means the date or dates (if any) specified as such in the definition of the relevant Series in the applicable Final Terms or, if any such day is not a Trading Day, the next following Trading Day unless, in the determination of the Calculation Agent, a Market Disruption Event has occurred on any such day, in which case the applicable Early Termination Date shall be the first succeeding Trading Day on which the Calculation Agent determines that there is no Market Disruption Event, unless the Calculation Agent determines that there is a Market Disruption Event occurring on each of the Relevant Number of Trading Days immediately following the original date which (but for the Market Disruption Event) would have been an Early Termination Date. In that case (i) the last day of the Relevant Number of Trading Days shall be deemed to be the Early Termination Date (regardless of the Market Disruption Event); and (ii) the Calculation Agent shall determine the Index Final Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Shares and such other factors as the Calculation Agent determines to be relevant;

**“Early Termination Event”** means the event or events (if any) specified as such in the definition of the relevant Series in the applicable Final Terms, as determined by or on behalf of the Calculation Agent;

**“Emerging Market Disruption Event”** means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, each of the following events:

- (i) **Moratorium.** A general moratorium is declared in respect of banking activities in the country in which the Exchange or any Related Exchange is located or in the principal financial centre of the Relevant Currency; or
- (ii) **Price Source Disruption.** It becomes impossible to obtain the Relevant Currency Exchange Rate on any relevant date, in the inter-bank market; or
- (iii) **Governmental Default.** With respect to any security or indebtedness for money borrowed or guaranteed by any Governmental Authority, there occurs a default, event of default or other similar condition or event (howsoever described) including, but not limited to, (A) the failure of timely payment in full of principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of any such security indebtedness for money borrowed or guarantee, (B) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of any such security, indebtedness for money borrowed or guarantee or (C) the amendment or modification of the terms and

conditions of payment of any principal, interest or other amounts due in respect of any such security, indebtedness for money borrowed or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for money borrowed or guarantee; or

- (iv) Inconvertibility/non-transferability. The occurrence of any event which (A) generally makes it impossible to convert the currencies in the Relevant Currency Exchange Rate through customary legal channels for conducting such conversion in the principal financial centre of the Relevant Currency or (B) generally makes it impossible to deliver the Relevant Currency from accounts in the country of the principal financial centre of the Relevant Currency to accounts outside such jurisdiction or the Relevant Currency between accounts in such jurisdiction or to a party that a non-resident of such jurisdiction; or
- (v) Nationalisation. Any expropriation, confiscation, requisition, nationalisation or other action by any Governmental Authority which deprives this Issuer (or any of its Affiliates) of all or substantially all of its assets in the country of the principal financial centre of the Relevant Currency; or
- (vi) Illiquidity. It is impossible to obtain a firm quote for the Relevant Currency Exchange Rate for an amount which the Issuer considers necessary to discharge its obligations under the Securities; or
- (vii) Change in Law. A change in law in the country of the principal financial centre of the Relevant Currency which may affect the ownership in and/or the transferability of the Relevant Currency; or
- (viii) Imposition of Tax/Levy. The imposition of any tax and/or levy with punitive character which is imposed in the country of the principal financial centre of the Relevant Currency; or
- (ix) Unavailability of Settlement Currency. The unavailability of the Settlement Currency in the country of the principal financial centre of the Relevant Currency, or where the Settlement Currency is the Relevant Currency, the unavailability of the Relevant Currency in the principal financial centre of any other applicable currency; or
- (x) Any other event similar to any of the above, which could make it impracticable or impossible for the Issuer to perform its obligations in relation to the Securities;

**“Entitlement”** means the number specified as such in the definition of the relevant Series in the applicable Final Terms, subject to any adjustment in accordance with Product Condition 4;

**“Exchange”** means in respect of each Index the exchange or quotation system from which the Index Sponsor takes the prices of the shares or other securities that comprise the Index (the **“Shares”**) to compute the relevant Index or any successor to such exchange or quotation system;

**“Exercise”** means a Holder’s right to exercise the Securities, in accordance with Product Condition 3;

**“Exercise Date”** means the date specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Expenses”** means all taxes, duties and/or expenses, including all applicable depository, transaction or exercise charges, stamp duties, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties, arising in connection with (i) the exercise of such Security and/or (ii) any payment or delivery due following exercise or otherwise in respect of such Security;

**“Final Terms”** means the document containing the specific terms relating to the Securities;

**“Governmental Authority”** is any de facto or de jure government (or agency or instrumentality thereof, court, tribunal, administrative or other governmental authority) or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the country of the principal financial centre of either of the currencies in the Relevant Currency Exchange Rate;

**“Index”** means each index specified as such in the definition of the Basket or specified as such in the definition of the relevant Series in the applicable Final Terms, subject to Product Condition 4, and **“Indices”** shall be construed accordingly;

**“Index Final Reference Price”** means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the level of the Index at the Valuation Time on the Valuation Date, as determined by or on behalf of the Calculation Agent without regard to any subsequently published correction or (if, in the determination of the Calculation Agent, no such level can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the official closing level of the Index, on such date having regard to the then prevailing market conditions, the last reported trading price of the Shares, and such other factors as the Calculation Agent determines relevant, subject to adjustment in accordance with Product Condition 4;

**“Index Initial Reference Price”** means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the level of the Index at the Valuation Time on the Pricing Date, as determined by or on behalf of the Calculation Agent without regard to any subsequently published correction or (if, in the determination of the Calculation Agent, no such level can be determined and no Market Disruption Event has occurred and is continuing) an amount determined by the Calculation Agent as its good faith estimate of the official closing level of the Index, on such date having regard to the then prevailing market conditions, the last reported trading price of the Shares, and such other factors as the Calculation Agent determines relevant, subject to adjustment in accordance with Product Condition 4;

**“Inflation Index”** means each inflation index specified as such in the definition of the Basket or specified as such in the definition of the relevant Series in the applicable Final Terms, subject to Product Condition 4 and **“Inflation Indices”** shall be construed accordingly;

**“Inflation Index Final Reference Price”** means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the level of the Inflation Index for the Valuation Month, published by the Index Sponsor, as determined by the Calculation Agent without regard to any subsequently published correction. Any revision or amendment to the level of the Inflation Index after the initial publication thereof shall be disregarded for the purposes of determining the relevant level unless the Inflation Index is re-based as a result of such revision or amendment, in which case the level of the Inflation Index shall be subject to such amendments as the Calculation Agent, acting in its sole and absolute discretion, considers appropriate to preserve the economic features of the Securities. If, in the determination of the Calculation Agent, no such level can be determined (and no Market Disruption Event has occurred and is continuing), the level of the Inflation Index shall be a level determined by the Calculation Agent as its good faith estimate of the level of the Inflation Index for the relevant Valuation Month having regard to the last published level of the Inflation Index and such other factors as the Calculation Agent determines relevant;

**“Index Sponsor”** means the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index or Inflation Index, as applicable and (b) announces (directly or through an agent) the level of the relevant Index or Inflation Index, as applicable on a regular basis during each Trading Day and references to Index Sponsor shall include any successor index sponsor pursuant to Product Condition 4;

**“Interest Amount”** means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, in respect of each Interest Period, an amount

calculated by the Calculation Agent in accordance with the formula specified in the definition of the relevant Series in the applicable Final Terms;

**“Interest Payment Dates”** means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, the dates specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Interest Period”** means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms and unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the period commencing on (and including) the Issue Date to (but excluding) the first Interest Payment Date and each period commencing on (and including) an Interest Payment Date to (but excluding) the next following Interest Payment Date;

**“Interest Rate”** means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, in respect of each Interest Period, the rate specified as such, or determined in accordance with the formula specified, in the definition of the relevant Series in the applicable Final Terms;

**“Interest Rate Day Count Fraction”** means, if “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, that interest shall be calculated on the basis specified in the definition of the relevant Series in the applicable Final Terms;

**“Issue Date”** means the date specified as such in the applicable Final Terms;

**“Issuer”** means ABN AMRO Bank N.V. incorporated in The Netherlands with its statutory seat in Amsterdam acting through its principal office or its branch in London or such further or other branches as may be specified in the applicable Final Terms;

**“Launch Date”** means the date specified as such in the applicable Final Terms;

**“Market Disruption Event”** means each event specified as such in Product Condition 4, any Additional Market Disruption Event specified in the definition of the relevant Series in the applicable Final Terms and any Emerging Market Disruption Event;

**“Payment Day”** means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business (including dealings in foreign exchange and foreign exchange currency deposits) in the principal financial centre for the Settlement Currency or, if the Settlement Currency is euro, any day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) System is open;



**“Pricing Date”** means the date or dates specified as such in the definition of the relevant Series in the applicable Final Terms, subject to adjustment by the Issuer if, in adverse market conditions, in the opinion of the Issuer, the circumstances so require;

**“Related Exchange”** means an options or futures exchange or quotation system on which options contracts or futures contracts or other derivatives contracts on the Index are traded;

**“Relevant Currency”** means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the Settlement Currency, the lawful currency in which the underlying of the Security or any constituent of such underlying is denominated, from time to time, or the lawful currency of the country in which the Exchange or the primary exchange on which an underlying or any constituent of such underlying, is located provided that Relevant Currency shall not include any lawful currency that is a Standard Currency. Notwithstanding the foregoing, where the underlying of a Security is a fund, including but not limited to, an exchange traded fund, a mutual fund, a unit trust or a hedge fund, or an American Depositary Receipt (“**ADR**”) or Global Depositary Receipt (“**GDR**”), the constituents of such fund, ADR or GDR as applicable, shall not be considered for the purpose of this definition;

**“Relevant Currency Exchange Rate”** means each rate of exchange between the Relevant Currency and the Settlement Currency, or where the Relevant Currency is the Settlement Currency, between the Relevant Currency and any other applicable currency, as determined by the Calculation Agent by reference to such sources as the Calculation Agent may reasonably determine to be appropriate at such time;

**“Relevant Number of Months”** means the number of months specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Relevant Number of Trading Days”** means the number of Trading Days, if any, specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Securities”** means each Series of the index and inflation index express certificates specified in the applicable Final Terms and each such certificate a “**Security**”. References to the terms “**Securities**” and “**Security**” shall be construed severally with respect to each Series specified in the applicable Final Terms;

**“Series”** means each series of Securities set out in the applicable Final Terms;

**“Settlement Currency”** means the currency specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Settlement Date”** means the date specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Standard Currency”** means, unless otherwise specified in the definition of the relevant Series in the applicable Final Terms, the lawful currency of Australia, Austria, Belgium, Canada, Cyprus, Denmark, Finland, France, Germany, Greece, Hong Kong, Iceland, Ireland, Italy, Japan, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Portugal, Singapore, Slovenia, Spain, Sweden, Switzerland, Taiwan, the United Kingdom and the United States, or such other currency as determined by the Calculation Agent at its sole and absolute discretion from time to time;

**“Trading Day”** means any day on which the Index Sponsor should calculate and publish the closing level of the Index according to its rules;

**“Underlying Currency”** means the currency specified as such in the definition of the relevant Series in the applicable Final Terms;

**“Valuation Date”** means the date or dates specified as such in the definition of the relevant Series in the applicable Final Terms or, if any such day is not a Trading Day, the next following Trading Day, unless, in the determination of the Calculation Agent, a Market Disruption Event has occurred on that day in which case the Valuation Date shall be the first succeeding Trading Day on which the Calculation Agent determines that there is no Market Disruption Event, unless the Calculation Agent determines that there is a Market Disruption Event occurring on each of the Relevant Number of Trading Days immediately following the original date which (but for the Market Disruption Event) would have been a Valuation Date. In that case (i) the last day of the Relevant Number of Trading Days shall be deemed to be the Valuation Date (regardless of the Market Disruption Event); and (ii) the Calculation Agent shall determine the Index Final Reference Price having regard to the then prevailing market conditions, the last reported trading price of the Shares and such other factors as the Calculation Agent determines to be relevant;

**“Valuation Month”** means each month specified as such in the definition of the relevant Series in the applicable Final Terms unless, in the determination of the Calculation Agent, a Market Disruption Event has occurred with respect to such month in which case that Valuation Month shall be the first succeeding calendar month for which the Calculation Agent determines that there is no Market Disruption Event, unless the Calculation Agent determines that there is a Market Disruption Event occurring on each of the Relevant Number of Months immediately following the original month which (but for the Market Disruption Event) would have been the Valuation Month. In that case (a) the last month of the Relevant Number of Months shall be deemed to be the Valuation Month (regardless of the Market Disruption Event) and (b) the Calculation Agent shall determine the level of the Inflation Index having

regard to the then prevailing market conditions, the last published level of the Inflation Index and such other factors as the Calculation Agent determines to be relevant; and

“**Valuation Time**” means, in respect of an Index, the time with reference to which the Index Sponsor calculates the closing level of the relevant Index or such other time as the Issuer may select in its absolute discretion and notify to Holders in accordance with General Condition 4.

Terms in capitals which are not defined in these Product Conditions shall have the meanings ascribed to them in the General Conditions.

## 2. FORM

- (a) **Global Form.** Except in the case of Securities issued in dematerialised form, the Securities are represented by a global security (the “**Global Security**”) which will be deposited with the Clearing Agent and will be transferable only in accordance with the applicable law and the rules and procedures of the relevant Clearing Agent through whose systems the Securities are transferred. Each person (other than another Clearing Agent) who is for the time being shown in the records of the relevant Clearing Agent as the owner of a particular unit quantity of the Securities (in which regard any certificate or other document issued by the relevant Clearing Agent as to the unit quantity of the Securities standing to the credit of the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer and each Agent as the holder of such unit quantity of the Securities (and the term “**Holder**” shall be construed accordingly) for all purposes, other than with respect to any payment and / or delivery obligations, the right to which shall be vested as regards the Issuer and the Agents, solely in the bearer of the Global Security.
- (b) **Dematerialised Form.** Certain Securities will, where required by the rules and procedures of the Clearing Agent, be issued in dematerialised form and will be registered in the book-entry system of the Clearing Agent. Title to the Securities will pass by transfer between accountholders at the Clearing Agent perfected in accordance with the legislation, rules and regulations applicable to and/or issued by the Clearing Agent that are in force and effect from time to time (the “**Rules**”). Accordingly, in these Conditions, the term “**Holder**” means a person in whose name a Security is registered in the book-entry settlement system of the Clearing Agent or any other person recognised as a holder of Securities pursuant to the Rules.

3. RIGHTS AND PROCEDURES

- (a) Exercise. Provided no Early Termination Event has occurred, the Securities will be deemed to be automatically exercised on the Exercise Date.
- (b) Early Termination Event. Upon the occurrence of an Early Termination Event, the Securities will terminate automatically and the Issuer will give notice to the Holders in accordance with General Condition 4.
- (c) Cash Settlement. Each Security upon exercise, subject to delivery by the Holder of a duly completed Notice and to certification as to non-U.S. beneficial ownership, entitles its Holder to receive from the Issuer on the Settlement Date the Cash Amount. Each Security following an Early Termination Event, subject to delivery by the Holder of a duly completed Notice and to certification as to non-U.S. beneficial ownership, entitles its Holder to receive from the Issuer on the Settlement Date the Early Termination Amount.
- (d) Interest Amount. If “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, each Security shall bear interest at the Interest Rate. The Interest Amount is calculated by reference to the relevant Interest Period, the Interest Rate and the Interest Rate Day Count Fraction, and is payable on each Interest Payment Date.
- (e) Interest Accrual. If “Interest” is specified as being “Applicable” in the definition of the relevant Series in the applicable Final Terms, each security shall cease to accrue interest from and including exercise. No interest shall accrue after the Exercise Date or after the Early Termination Date in respect of which an Early Termination Event occurs, as the case may be, in the event that payment of any amount is postponed due to a Market Disruption Event.
- (f) Payment Day. If the date for payment of any amount in respect of the Securities is not a Payment Day, the Holder shall not be entitled to payment until the next following Payment Day and shall not be entitled to any interest or other payment in respect of such delay.
- (g) General. In the absence of gross negligence or wilful misconduct on its part, none of the Issuer, the Calculation Agent nor any Agent shall have any responsibility for any errors or omissions in the calculation of any Cash Amount, Early Termination Amount or Interest Amount, if applicable.
- (h) Notice. All payments shall be subject to the delivery of a duly completed notice (a “**Notice**”) to a Clearing Agent with a copy to the Principal Agent. The form of the

Notice may be obtained during normal business hours from the specified office of each Agent.

A Notice shall:

- (i) specify the number of Securities to which it relates;
- (ii) specify the number of the account with the Clearing Agent to be debited with the Securities to which it relates;
- (iii) irrevocably instruct and authorise the Clearing Agent to debit on or before the Settlement Date such account with such Securities;
- (iv) specify the number of the account with the Clearing Agent to be credited with any Cash Amount or Early Termination Amount (if any) for such Securities;
- (v) certify that neither the person delivering the Notice nor any person on whose behalf the Notice is being delivered is a U.S. person or a person within the United States. As used herein, "U.S. person" means (A) an individual who is a resident or a citizen of the United States; (B) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (C) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (D) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust; (E) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (B) above; (F) any entity organised principally for passive investment, 10 per cent. or more of the beneficial interests in which are held by persons described in (A) to (E) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the United States Commodity Futures Trading Commission's regulations by virtue of its participants being non-U.S. persons; or (G) any other "U.S. person" as such term may be defined in Regulation S under the United States Securities Act of 1933, as amended, or in regulations adopted under the United States Commodity Exchange Act; and
- (vi) authorise the production of such Notice in any applicable administrative or legal proceedings.

- (i) Verification. In respect of each Notice, the relevant Holder must provide evidence reasonably satisfactory to the Principal Agent of its holding of such Securities.
- (j) Settlement. The Issuer shall pay or cause to be paid the Cash Amount (if any) for each Security with respect to which a Notice has been delivered to the account specified in the relevant Exercise Notice for value on the Settlement Date.
- (k) Determinations. Failure properly to complete and deliver a Notice may result in such notice being treated as null and void. Any determination as to whether a Notice has been properly completed and delivered shall be made by the Principal Agent and shall be conclusive and binding on the Issuer and the relevant Holder. Subject as set out below, any Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Agent immediately after being delivered to a Clearing Agent as provided in the Conditions shall be void.

If such Notice is subsequently corrected to the satisfaction of the Principal Agent, it shall be deemed to be a new Notice submitted at the time such correction is delivered to such Clearing Agent and copied to the Principal Agent.

Any Security with respect to which a Notice has not been duly completed and delivered in the manner set out above by the time specified in Product Condition 3 shall become void.

The Principal Agent shall use its best efforts promptly to notify the relevant Holder if it has determined that a Notice is incomplete or not in proper form. In the absence of gross negligence or wilful misconduct on its part, neither the Issuer nor the Principal Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

- (l) Delivery of a Notice. Delivery of a Notice by or on behalf of a Holder shall be irrevocable with respect to the Securities specified and no Notice may be withdrawn after receipt by a Clearing Agent as provided above. After the delivery of a Notice, the Securities which are the subject of such notice may not be transferred.
- (m) Exercise and Settlement Risk. Exercise and settlement of the Securities is subject to all applicable laws, regulations and practices in force at the relevant time and neither the Issuer nor any Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. Neither the Issuer nor the Agents shall under any

circumstances be liable for any acts or defaults of any Clearing Agent in relation to the performance of its duties in relation to the Securities.

4. ADJUSTMENTS

- (a) **Market Disruption.** The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Holders in accordance with General Condition 4 if it determines that a Market Disruption Event has occurred.

**“Market Disruption Event”**, in relation to an Index, means the occurrence or existence on any Trading Day during the one hour period that ends at the official close of trading on the Exchange or any Related Exchange of any suspension of or limitation imposed on trading or the disruption or impairment in the ability of market participants in general to effect transactions (by reason of movements in price reaching or exceeding limits permitted by the relevant exchange or otherwise):

- (i) on any Exchange(s) in securities that comprise 20 per cent or more of the level of the relevant Index if, in the determination of the Calculation Agent, such suspension or limitation is material. For the purpose of determining whether such suspension or limitation is material, if trading in a security included in the Index is suspended or materially limited at that time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security relative to (y) the overall level of the Index, in each case immediately before that suspension or limitation; or
- (ii) on any Related Exchange in any options contracts or futures contracts or other derivatives contracts relating to the relevant Index.

In any event, a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange, but a limitation on trading imposed during the course of the day by reason of movements in price otherwise exceeding levels permitted by the relevant exchange may, if so determined by the Calculation Agent, constitute a Market Disruption Event.

**“Market Disruption Event”**, in relation to an Inflation Index, means the Index Sponsor fails to calculate and announce the level of the Inflation Index.

- (b) Adjustments to Index. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 4 of any determination made by it pursuant to paragraphs (1), (2), (3) or (4) below.
- (i) If a relevant Index is (A) not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor (the “**Successor Sponsor**”) acceptable to the Calculation Agent; or (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, then (in either case) the Index will be deemed to be the index so calculated and announced by such Successor Sponsor or that successor index, as the case may be.
- (ii) If (A) on or prior to the Valuation Date or the Early Termination Date, as the case may be, the Index Sponsor or, if applicable, the Successor Sponsor, makes a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities and other routine events); or (B) on the Valuation Date or the Early Termination Date, as the case may be, the Index Sponsor or, if applicable, the Successor Sponsor fails to calculate and/or publish a relevant Index; then (in either case) the Calculation Agent shall determine the Index Final Reference Price using, in lieu of a published level(s) for the Index on the Valuation Date or the Early Termination Date, as the case may be, the level for the Index as determined by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior to the change or failure, but using only those securities that comprised the Index immediately prior to the change or failure (other than those securities that have since ceased to be listed on the Exchange or any other exchange on which the Shares are listed) or, in the case of a material modification of the Index only, the Calculation Agent shall deem such modified Index to be the Index so calculated and announced or shall terminate the Securities by giving notice in accordance with General Condition 4.
- (iii) If, at any time, any of the events specified in (A) to (H) below occurs and the Index Sponsor or, if applicable, the Successor Sponsor has not in the opinion of the Calculation Agent made an appropriate adjustment to the level of the relevant Index in order to account fully for such event, notwithstanding that the rules published or applied by the Index Sponsor or, if applicable, the



Successor Sponsor pertaining to the Index have been applied, the Calculation Agent shall make such adjustment to the level of the Index as it considers appropriate in order to so account: (A) a distribution or dividend to existing holders of the Shares of (i) Shares; or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the issuer of the Shares equally or proportionately with such payments to holders of Shares or (iii) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price; (B) a free distribution or dividend of any Shares to existing holders by way of bonus, capitalisation or similar issue; (C) an extraordinary dividend; (D) any cash dividends declared on the Shares at a time when the relevant issuer has not previously declared or paid dividends on such Shares for the prior four quarterly periods; (E) any non-cash dividends declared on the Shares at a time when the relevant issuer has not previously declared or paid dividends on such Shares for the prior four quarterly periods; (F) any other extraordinary cash or non-cash dividend on, or distribution with respect to, the Shares which is, by its terms or declared intent, declared and paid outside the normal operations or normal dividend procedures of the relevant issuer, provided that, in all cases, the related ex-dividend date occurs during the period from and including the Issue Date up to but excluding the Valuation Date or the Early Termination Date, as the case may be; (G) a distribution of cash dividends on the Shares equal to or greater than 8 per cent. per annum of the then current market value of the Shares; (H) any other similar event having dilutive or concentrative effect on the theoretical value of the Shares.

- (iv) The Issuer reserves the right to issue further certificates, make adjustments or to distribute to the Holders any rights in connection with the Securities as it reasonably believes are appropriate in circumstances where an event or events occur which the Issuer (in its absolute discretion and notwithstanding any adjustments previously made to the Securities) believes should in the context of the issue of Securities and its obligations hereunder, give rise to such adjustment or distribution, provided that such adjustment is considered by the Calculation Agent to be appropriate generally (without considering the individual circumstances of any Holder or the tax or other consequences of such adjustment in any particular jurisdiction) or is required to take account of

provisions of the laws of the relevant jurisdiction or the practices of the relevant Exchange.

- (c) Adjustments to the Inflation Index. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 4 of any determination made by it pursuant to paragraphs (1), (2) or (3) below.
  - (i) If the Inflation Index is (A) not calculated and announced in its usual way but is calculated and published in a different way but in a way acceptable to the Calculation Agent; or (B) replaced by a successor inflation index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Inflation Index, then (in either case) the relevant Inflation Index will be deemed to be the Inflation Index so calculated and announced by that successor inflation index, as the case may be.
  - (ii) If (A) on or prior to any calculation of the level of the Inflation Index there is a material change in the formula for or the method of calculating the Inflation Index or the Index Sponsor, in any other way, materially modifies the Inflation Index (other than a modification prescribed in that formula or method to maintain the Inflation Index in the event of changes in constituent securities and other routine events) then the Calculation Agent shall (a) determine the Inflation Index level using, in lieu of a published level for the Inflation Index, the level for the Inflation Index as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner or, (b) shall deem such modified Inflation Index to be the Inflation Index so calculated and announced or (c) shall terminate the Securities by giving notice in accordance with General Condition 4.
  - (iii) The Issuer reserves the right to issue further Securities, make adjustments or to distribute to the Holders any rights in connection with the Securities as it reasonably believes are appropriate in circumstances where an event or events occur which the Issuer (in its absolute discretion and notwithstanding any adjustments previously made to the Securities) believes should, in the context of the issue of Securities and its obligations hereunder, give rise to such adjustment or distribution, provided that such adjustment is considered by the Calculation Agent either to be appropriate generally (without considering the individual circumstances of any Holder or the tax or other consequences of such adjustment in any particular jurisdiction) or to be required to take

account of provisions of the laws of the relevant jurisdiction or the practices of the relevant exchange.

- (d) The Calculation Agent may make adjustments to the Conditions in order to account for any such event if it considers it appropriate to do so. The Calculation Agent shall, as soon as practicable after receipt of any written request to do so, advise a Holder of any determination made by it pursuant to this Product Condition 4 on or before the date of receipt of such request. The Calculation Agent shall make available for inspection by Holders copies of any such determinations. In making any such determinations and calculations in respect of the Securities, the Calculation Agent shall act at all times in good faith and a commercially reasonable manner.

#### 5. EFFECT OF FINAL TERMS

The Final Terms applicable to any Series of Securities may specify amendments to these Product Conditions in so far as they apply to that Series. Notwithstanding the foregoing, consideration will be given as to whether such amendments constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus (as defined in the Final Terms) under Article 16 of Directive 2003/71/EC.

## ANNEX B

### INDEX AND INFLATION INDEX EXPRESS CERTIFICATES

Series:	[Index and Inflation Index] Express Certificates Series [ ]		
Issue Price:	[ ]		
Additional Market Disruption Events:	[None] [specify]		
Basket:	[Applicable] [Not Applicable]		
	<b>Index</b>	<b>Inflation Index</b>	<b>Bloomberg Code</b>
	[specify]	[specify]	[specify]
Business Day:	[As stated in Product Condition 1] [specify other]		
Cash Amount:	(i) If the Index Final Reference Price is equal to or greater than the Index Initial Reference Price: $[\text{Issue Price}] \times \left[ 1 + \max \left( \frac{HICP_T - HICP_0}{HICP_0}, [90\%] \times \frac{\text{Index IRP} - \text{Index FRP}}{\text{Index IRP}} \right) \right]$ (ii) If the Index Final Reference Price is less than the Index Initial Reference Price: [Issue Price]		
	Where:		
	HICP <sub>T</sub> is the Inflation Index Final Reference Price for the Valuation Month in the year [ ];		
	HICP <sub>0</sub> is the Inflation Index Final Reference Price for the Valuation Month in the year [ ];		
	[Specify other]		
Early Termination Amount:	[ ] [Not Applicable]		
Early Termination Date:	[ ] [Not Applicable]		
Early Termination Event:	The Index Final Reference Price on the Early Termination Date is equal to or higher than the Index Initial Reference Price [specify other] [Not Applicable] <sup>1</sup>		
Emerging Market Disruption Events:	[As stated in Product Condition 1] [specify other]		
Entitlement:	[ ] [Not Applicable]		
Exercise Date:	[ ]		
Index:	[[ ] (Bloomberg Code: [ ])] [See Basket] [Not Applicable]		
Index Final Reference Price ("Index FRP"):	[As stated in Product Condition 1] [specify other]		
Index Initial Reference Price ("Index IRP"):	[As stated in Product Condition 1] [specify other]		
Inflation Index:	[[Inflation Index] published on a [monthly] [other] basis by the [ ], as displayed on Bloomberg '[ ] <Index>' (or such other page as may replace that page, or such		

<sup>1</sup> Early Termination Event is only linked to the level of an Index

other information service as may be selected by the Calculation Agent, acting in its sole and absolute discretion, for the purpose of displaying the Inflation Index)] [specify other]]

Inflation Index Final Reference Price: [As stated in Product Condition 1] [*specify other*]

Interest: [Applicable] [Not Applicable]

Interest Amount: [[EUR ] x Interest Rate x Interest Rate Day Count Fraction] [*specify other*]

Interest Payment Dates: [[ ] [and [ ]]] in each year up to and including the Maturity Date, with the first Interest Payment Date being [ ] [Not Applicable] [*specify other*]

Interest Period: [As stated in Product Condition 1] [*specify other*] [Not Applicable]

Interest Rate: [In respect of the [specify] Interest Period[s], [ ] per cent. per annum]

[In respect of the [specify] Interest Period[s], the rate determined in accordance with the following formula:

[specify]]

[Not Applicable] [*specify other*]

Interest Rate Day Count Fraction: [The actual number of days in the relevant period divided by 365 save that for a portion which any such period falls in a leap year, the number of days in such portion shall be divided by 366]

[The number of days in the relevant period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 day month)))]

[Not Applicable] [*specify other*]

Launch Date: [ ] [Not Applicable]

Pricing Date(s): [ ]

Relevant Currency: [As stated in Product Condition 1] [*specify other*]

Relevant Number of Months: [2] [*specify other*]

Relevant Number of Trading Days: For the purposes of:

Early Termination Date:[5, or in respect of an Emerging Market Disruption Event only, 180]

Valuation Date: [5, or in respect of an Emerging Market Disruption Event only, 180]

Settlement Currency: [ ]

Settlement Date: [Second Business Day following the Early Termination Date] if an Early Termination Event has occurred and] [the Valuation Date] [*specify other*]

Standard Currency: [As stated in Product Condition 1] [*specify other*]

Underlying Currency: [ ]

Valuation Date(s): [The Exercise Date] *[specify other]*

Valuation Month(s): [ ]

Amendments to General [ ]

Conditions and/or Product *(When making any such amendments consideration should be given to as to whether*  
Conditions: *such terms constitute "significant new factors" and consequently trigger the need*  
*for a supplement to the Base Prospectus under Article 16 of the Prospectus*  
*Directive)*

Amendments to the [ ]  
Offering Procedure for  
the Securities:

ISIN: [ ]

Common Code: [ ]

Fondscore: [ ]

WKN: [ ]

Other Securities Code: [ ]

## INFORMATION ON THE UNDERLYING

Page where information about the past and future performance of the [ ]  
Underlying and its volatility can be obtained:

Series: *[Index and Inflation Index] Express Certificates Series [ ]*  
*[repeat as above for each new Series]*