SECOND SUPPLEMENT DATED 3 NOVEMBER 2017 TO THE

BASE PROSPECTUS DATED 16 MARCH 2017

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

(incorporated with limited liability in the Republic of Italy)

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.

(incorporated with limited liability in Luxembourg)

Issuance Programme

guaranteed in the case of Certificates and Warranties issued by Mediobanca International (Luxembourg) S.A.

by

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

This second supplement dated 3 November 2017 (the "**Second Supplement**") to the base prospectus dated 16 March 2017 (the "**Base Prospectus**") constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") and regulation 51 of the Prospectus Regulations 2005 of Ireland (the "**Irish Prospectus Regulations**") and is prepared in connection with the Issuance Programme of Mediobanca - Banca di Credito Finanziario S.p.A. ("**Mediobanca**") and Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**") (each an "**Issuer**" and together the "**Issuers**").

Capitalised terms used in this Supplement and not otherwise defined herein, shall have the same meaning ascribed to them in the Base Prospectus.

This Supplement constitutes a supplement to the Base Prospectus, and shall be read in conjunction with the Base Prospectus and the first supplement dated 31 October 2017 (the "**First Supplement**").

This Second Supplement is for the purposes of (i) updating the paragraphs "Material adverse change" and "Significant changes" set out in the "Summary of the Programme" section "B.12" on pages 15-22 of the Base Prospectus in light of the publication of the consolidated and non-consolidated annual financial statements of both Mediobanca and Mediobanca International as at 30 June 2017, and (ii) updating the rating of Mediobanca set out in "Information on Mediobanca – Banca di Credito Finanziario S.p.A. – History and development of Mediobanca – Important events in Mediobanca's recent history" on page 368 of the Base Prospectus in light of the change in the rating of Mediobanca made by Standard & Poor's.

Each of the Issuers and, with respect to Securities issued by Mediobanca International, also the

Guarantor, accepts responsibility for the information contained in this document and, to the best of the knowledge of each of the Issuers and the Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

*This Second Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**" or "**CBI**"), as the competent authority under the Prospectus Directive. The Central Bank only approves this Second Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.*

Copies of this Second Supplement will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Irish Stock Exchange's website (www.ise.ie), on the Mediobanca's website (www.mediobanca.com) and on the Mediobanca International's website (www.mediobancaint.lu).

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

The language of this Second Supplement is English. Any foreign language text that is included with or within this Second Supplement has been included for convenience purposes only and does not form part of this Second Supplement.

Save as disclosed in this Second Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

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SUMMARY OF THE PROGRAMME

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

This 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 appear in brackets. Such information will be completed or, where not relevant, deleted, in relation to a particular Series of Securities and the completed summary in relation to such Series of Securities shall be appended to the relevant Final Terms.

Section A – Introduction and warnings

Element	Description of Element	Disclosure requirement
A.1	**Warnings**	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.
		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.
		Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this 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 the Securities.
A.2	**Consent to the use of the Base Prospectus**	[Not Applicable – The Issuer[s] do[es] not consent to the use of the Base Prospectus for subsequent resales.]
		[The Issuer[s] consent[s] to the use of this Base Prospectus in connection with a Non-exempt Offer of the Securities subject to the following conditions:
		(i) the consent is only valid during the period from [[ ] until [ ]/[the Issue Date]/[the date which falls [ ] business days thereafter]] (the "**Offer Period**");
		(ii) the only persons ("**Offerors**") authorised to use this Base Prospectus to make the Non-exempt Offer of the Securities are the relevant Dealer and [(a) [ ] [and [ ]] and/or (b) if the relevant Issuer appoints additional financial intermediaries after [ ] (being the date of the Final Terms) and publishes details of them on its website, each financial intermediary whose details are so published]/[any financial intermediary which is authorised to make such

offers under the Directive 2004/39/EC (the Markets in Financial Instruments Directive) and which acknowledges on its website that it is relying on this Base Prospectus to offer the relevant Tranche of Securities during the Offer Period; [and]

(iii)   the consent only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in [ ] [and [ ]]; [and]

[(iv)   the consent is subject to the following other condition[s]: [ ]].]

[Any Offeror falling within sub-paragraph (ii)(b) above who meets all of the other conditions stated above and wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website (i) that it has been duly appointed as a financial intermediary to offer the relevant Tranche of Securities during the Offer Period (provided such financial intermediary has in fact been so appointed), (ii) that it is relying on this Base Prospectus for such Non-exempt Offer with the consent of the relavant Issuer and (iii) the conditions attached to that consent.]

The consent referred to above is valid for the period of 12 months from the date of this Base Prospectus. Each Issuer accepts responsibility, in the jurisdictions to which the consent to use this Base Prospectus extends, for the content of this Base Prospectus in relation to any investor who acquires any Securities issued by such Issuer in a Non-exempt Offer made by any person to whom consent has been given to use this Base Prospectus in that connection in accordance with the preceding paragraphs, provided that such Non-exempt Offer has been made in accordance with all the conditions attached to that consent.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY SECURITIES IN A NON-EXEMPT OFFER FROM AN OFFEROR OTHER THAN THE RELAVANT ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NEITHER THE RELEVANT ISSUER NOR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

Section B – Issuers and Guarantor

Element	Description of Element	Disclosure requirement
B.1	Legal and Commercial Name of the Issuer(s)	**Mediobanca** Mediobanca – Banca di Credito Finanziario S.p.A. ("**Mediobanca**") [**Mediobanca International** Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**")]
B.2	Domicile /Legal Form	**Mediobanca**

	/Legislation /Country of Incorporatio n	Mediobanca was established in Italy. Mediobanca is a company limited by shares under Italian law with its registered office at Piazzetta E. Cuccia 1, Milan, Italy. Mediobanca holds a banking licence from the Bank of Italy authorising it to carry on all permitted types of banking activities in Italy. Mediobanca is a bank organised and existing under the laws of Italy, carrying out a wide range of banking, financial and related activities throughout Italy. [**Mediobanca International** Mediobanca International was established in Luxembourg. Mediobanca International is a public limited liability company (*société anonyme*) organised under the laws of Luxembourg, having its registered office is at 4, Boulevard Joseph II, L-1840 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B112.855.]
B.4b	**Description of trends**	**Mediobanca** [Not applicable. As at the date of the Base Prospectus, Mediobanca is not aware of any trends affecting it and the industries in which it operates.] [**Mediobanca International** [Not applicable. As at the date of the Base Prospectus, Mediobanca International is not aware of any trends affecting it and the industries in which it operates.]
B.5	**Description of the group of the Issuer(s)**	**Mediobanca** Mediobanca is the parent company of the Mediobanca Group. The Mediobanca Group is registered as a banking group registered in the register instituted by the Bank of Italy. [**Mediobanca International** Mediobanca International is part of the Mediobanca Group. The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.]
B.9	**Profit forecast/estim ate**	**Mediobanca** [Not applicable. No forecast or estimates of profits are contained in the Base Prospectus.] [**Mediobanca International** [Not applicable. No forecast or estimates of profits are contained in the Base Prospectus.]]
B.10	**Qualification s in the audit report**	**Mediobanca** Not applicable. There are no qualifications in the audit report.

		[**Mediobanca International** Not applicable. There are no qualifications in the audit report.]
B.12[1]	**Selected historical key information / no material adverse change / significant changes**	**Mediobanca** **Selected annual financial information.** The following tables show certain selected audited financial information of Mediobanca as at 30 June 2017, along with comparative data for the year ended 30 June 2016, plus a series of key financial indicators. **Regulatory capital and solvency margins**

Indicators and own funds (regulations in force since 1/1/14)	30/6/17 (€m) or %	30/6/16 (€m) or %	Minimum levels set by law**
Common Equity Tier 1 – CET1	7,017.3	6,504.8	
Additional Tier 1 – AT1	-		
Tier 2 – T2	1,861.7	1,722.4	
Own funds	8,879	8,227.2	
RWAs*	52,708.2	53,861.5	
Common Equity Tier 1 ratio – CET1 ratio	13.31%	12.08%	7%
Tier 1 ratio – T1 ratio	13.31%	12.08%	8%
Total capital ratio	16.85%	15.27%	10.5%
Risk – weighted assets/Total assets	74.8%	77.1%	
Leverage ratio*** (temporary)	9.5%	9.5%	

*Risk –weighted assets (RWAs) have been calculated using the standardised methodology for credit and market risks and the base methodology for operational risks.

** Limits include the capital conservation buffer (2.5%) for the minimum levels set by the regulations.

***The leverage ratio is the Group's regulatory and tier 1 capital expressed as a percentage of its total exposure (i.e. the sum of its assets and off-balance-sheet exposures). This indicator was introduced by the Basel Committee to keep down debt and contain excessive use of financial leverage in the banking sector.

CREDIT RISK INDICATORS*	30/6/16 (%)	Banking system data as at 30/06/16 (%)**	30/6/17 (%)	Banking system data as at 31/12/16 (%)**
Gross bad loans/gross loans	1.7%	10.8%	1.66%	10.9%

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[1] By virtue of the Supplement dated 3 November 2017, "Material adverse change/significant changes" has been updated and integrated with the annual financial information as at 30 June 2017 of both Mediobanca and Mediobanca International.

Net bad loans/net loans	0.7%	4.9%	0.76%	4.4%***
Gross irregular items/gross loans	5.9%	17.9%	5.55%	17.6%
Net irregular items/loans	2.9%	10.5%	2.82%	9.4%***
NPL (*non-performing loans*) coverage ratio	66.6%	58.8%	70.24%	63.1%
Irregular items coverage ratio	54.3%	46.6%	51.28%	51.7%
Net bad loans/net equity	3.1%	-	-3.49%	4.4%
Cost of risk****	1.24%	-	0.87%	-

* Data taken from information shown in part B and part E of the notes to the accounts and refer to the entire prudential consolidation area.

** Data taken from reports of financial stability no.1 April 2017, table 2.1, p.21, and no. 2 of November 2016, table 4.4, page 35 and refer to figures for significant banks.

*** Data taken from annex to Bank of Italy annual reports for 2015 and 2016 and refer to figures for the total system as at 31 December 2015 and 31 December 2016, respectively

****The cost of risk is obtained from the ratio between total net loan loss provisions for the period and average net customer loans.

COMPOSITION OF THE IMPAIRED LOANS	30/6/16	30/6/17
	€m	€m
Bad loans	255.03	291.60
Sub-standard	710.65	727.69
Overdue impaired	51.03	56.03
TOTAL NPLs (*non-performing loans*)	**1,016.70**	**1,075.32**

MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/17	30/6/16	CHANGES 2017/2016 %
	€m	€m	
Assets			
Due from banks	7,959.9	5,386.6	47%
Due from clients	38,763.1	37,881.5	2.3%
Financial assets*	17,089.1	21,053.5	-0.18%
Total Assets	**70,445.56**	**69,818.6**	**0.9%**

Liabilities			
Debt securities in issue	20,108.7	21,813.1	-7.8%
Financial liabilities**	18,951.3	19,421.70	-2.4%
Direct funding (from customers)***	20,366	18,164.50	12.1%
Net interbank position****	4,729.6	6,553.70	-27.8%
Net equity	8,441.46	8.317.30	1.5%
of which: share capital	440.6	435.5	1.1%

* Includes financial assets held for trading, AFS securities, financial assets held to maturity and the hedge derivatives.

** Includes amounts due to banks, trading liabilities and the hedge derivatives.

*** Includes amounts due to clients, and financial liabilities recognised at fair value.

**** Net balance between amounts due to banks and amounts due from banks.

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/17	30/6/16	CHANGES 2017/2016 %
	€m	€m	
Net interest income*	1,287.8	1,206.7	6.7%
Net fee and commission income	377.9	322.7	17.1%
Total income*	2,195.6	2,046.6	-1.7%
Net profit from financial and insurance operations	1,687.4	1,360.8	24.0%
Operating costs	-1,035	-901.2	14.9%
Profit before Tax	**914**	**736.3**	**24.1%**
Net Profit	**750.2**	**604.5**	**24.1%**

*Restated data (cfr. Pag. 24 of the consolidated financial statements as at 30 June 2016). Total income not restated comes to a total of 1,776,951 as at 30 June 2016 and to 1,776,681 as at 30 June 2015 (cfr. Pag 68 of the consolidated financial statements as at 30 June 2016).

[**Mediobanca International**

Selected annual financial information. The following tables show certain selected audited financial information of Mediobanca International as at 30 June 2017, along with comparative data for the year ended 30 June 2016, plus a series of key financial indicators.]

MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/17	30/6/16	CHANGES 2017/2016 %
	€m	€m	

Assets			
Loan and advances to credit institutions	1,290.1	1,801.7	-28.4%
Loan and advances to customers	3,299.9	3,404.3	-3.1%
Financial assets*	582.7	1,061.3	-45.1%
Total Assets	**5,191.7**	**6,281.9**	**-17.4%**
Liabilities			
Debt securities in issue	1,317.4	2,200.4	-40.1%
Amounts due to credit institutions	2,248.9	1,928.2	16.6%
Amounts due to customers	962.5	1,725.0	-24.5%
Financial liabilities**	319.2	559.6	-43.0%
Net equity	307.8	288.7	6.6%
of which: share capital	10.0	10.0	0.0%
Profit/Loss of the period	20.8	19.0	9.4%
Total liabilities	**5,191.7**	**6,281.9**	**-17.4%**

* Includes financial assets held for trading, financial assets held to maturity and the hedge derivatives.

** Includes Trading liabilities and the Hedging derivatives.

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/1	30/6/16	CHANGES 2017/2016 %
	€m	€m	
Net interest income	38.6	30.3	27.2%
Net fee and commission income	1.0	0.8	21.4%
Total income	36.2	33.7	7.4%
Net profit from financial and insurance operations	37.0	34.7	6.6%
Operating costs	-8.5	-7.7	10.7%
Profit before Tax	**28.5**	**26.9**	**5.9%**
Net Profit	**20.8**	**19.0**	**9.4%**

CASH FLOW FROM OPERATING ACTIVITIES	Year ended 30 June	
	2017	**2016**
	(Euro thousands)	
Operating activities	81,740	11,214
Cash generated/(absorbed) by financial assets	580,864	-1,117,162
Cash (generated)/absorbed by financial liabilities	-663,951	919,212
Net cash flow (outflow) from operating activities	-1,347	-186,736
CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow (outflow) from investment activities	-	194,989
FUNDING ACTIVITIES		
Net cash flow (outflow) from funding activities	-	-
NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD	**-1,347**	**8,253**

Mediobanca

Material adverse change

Since 30 June 2017 with respect to Mediobanca there has been no material adverse change in the prospects of either Mediobanca or the Group headed up by it.

Significant changes

Not applicable. There has been no significant changes in the financial or trading position of Mediobanca or the other companies forming part of the Group since the most recent financial information available, which was disclosed in the consolidated financial statements for the period ended 30 June 2017.

[Mediobanca International

Material adverse change

Since 30 June 2017 with respect to Mediobanca International there has been no material adverse change in the prospects of Mediobanca International.

		Significant changes
		Not applicable. There has been no significant change in the financial or trading position of Mediobanca International since the most recent financial information available, which was disclosed in the non-consolidated financial statements for the period ended 30 June 2017.]
B.13	Recent events	**Mediobanca** [Not applicable. Neither Mediobanca nor any company in the Mediobanca Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect Mediobanca's ability to meet its obligations under the Securities.] **[Mediobanca International** [Not applicable. Mediobanca International has not carried out transactions that have materially affected or that might be reasonably expected to materially affect Mediobanca International's ability to meet its obligations under the Securities.]
B.14	Issuer dependent upon other entities within the group	**Mediobanca** Not applicable. Mediobanca is the parent company of the Mediobanca Group and is not dependent upon other entities within the Mediobanca Group. See also item B.5 above. **[Mediobanca International** Mediobanca International is part of the Mediobanca Group and is a wholly owned subsidiary of the Mediobanca Group, operating autonomously within the Mediobanca Group and subject to coordination and support of Mediobanca. See also item B.5 above.]
B.15	Principal activities	**Mediobanca** As stated in Article 3 of its Articles of Association, Mediobanca's corporate purpose is to raise funds and provide credit in any of the forms permitted by applicable law, particularly medium- and long-term credit to corporates. Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's corporate purpose. **[Mediobanca International** As stated in Article 3 of its Articles of Association related to its corporate purpose, Mediobanca International may carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector. Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium-term note programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.]

B.16	Control of Issuer	**Mediobanca**
		Not applicable. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Legislative Decree No. 58 of 24th February, 1998 as amended from time to time (the "**Italian Financial Services Act**").
		[**Mediobanca International**
		Mediobanca International is 99% owned by Mediobanca.]
B.18	Guarantee	Under the Deed of Guarantee, and in accordance with its terms and subject to the limitations thereof, Mediobanca (the "**Guarantor**") unconditionally and irrevocably guarantees payment of all amounts due and the performance of any non-cash delivery obligations in respect of Securities issued by Mediobanca International.
		The payment obligations of the Guarantor under the Deed of Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor which will rank at all times at least *pari passu* without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for certain mandatory exceptions of applicable law. In particular, pursuant to the Deed of Guarantee, to the extent under the applicable law, a cap to the maximum amount to be guaranteed is required, the Guarantor shall only be liable up to an amount which is the aggregate of 110 per cent. of the aggregate principal amount of any Tranche of the Securities (in each case as specified in the applicable Final Terms) and 110 per cent. of the interest on such Securities accrued but not paid as at any date on which the Guarantor's liability falls to be determined. In addition, pursuant to the Deed of Guarantee, the Guarantor has also undertaken to issue an additional guarantee in an amount equal to any liability exceeding the maximum amount mentioned above in relation to any Tranche.
B.19	**Information on the Guarantor**	[Information with respect to Mediobanca is included in this section B above].

Section C – Securities

Element	Description of Element	Disclosure requirement
C.1	**Type, class and security identification number of securities being offered**	The Securities are [Certificates] [Warrants].
		[The Securities are [Index Securities] [Share Securities] [Currency Securities] [Debt Securities] [Commodity Securities] [Fund Securities] [Credit Securities].]
		[The Securities are [European Style Warrants] [American Style Warrants].
		The Securities will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations other than unsubordinated obligations, if any, of the relevant Issuer from time to time outstanding.
		The Securities have [ISIN [ ] [and Common Code [ ]] [ ].
C.2	**Currency**	[Subject to compliance with all relevant laws, regulations and directives, the Securities are issued in [ ].] [The Certificates are Dual Currency Certificates and [upon the occurrence of the Dual Currency Condition] provide for a Settlement

| | | Currency that is different from the currency in which the Issue Price was denominated ("**Issue Currency**").

The Settlement Currency is [•].

The Issue Currency is [•].] |
|---|---|---|
| **C.5** | **Restrictions on free transferability** | There are restrictions on sales of the Securities into, amongst other jurisdictions, the United States, the European Economic Area (including the United Kingdom and Italy) and Japan. |
| **C.8** | **Description of rights and ranking** | The Securities have terms and conditions relating to, among other matters:

Status

The Securities are issued by the relevant Issuer on an unsubordinated basis.

The Securities will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations other than unsubordinated obligations, if any, of the relevant Issuer from time to time outstanding. See Condition 2(a) (*Status of Securities*) of the Terms and Conditions.

Payments in respect of Securities in global form

All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Securities.

Payments in respect of Securities in definitive form

Payments of principal and interest in respect of the Securities in definitive form shall be made against presentation and surrender of the relevant Securities at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with a bank in the principal financial centre of that currency; provided that in the case of Euro, the transfer may be to a Euro account.

Payments in respect of Securities in book-entry form

Payments of principal and interest in respect of Securities in book-entry form shall be made through an electronic book-entry system managed by Monte Titoli S.p.A. or any other centralised custodian appointed by the relevant Issuer.

Illegality and force majeure

If the relevant Issuer determines that the performance of its obligations under the Securities or that any arrangements made to hedge the relevant Issuer's obligations under the Securities have become (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible |

		or impracticable the relevant Issuer may cancel the Securities by giving notice to Securityholders in accordance with Condition 8 (*Notices*).
		Further issues and consolidation
		The Issuer may from time to time without the consent of the Securityholders create and issue further securities having the same terms and conditions as the Securities in all respects (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) and so that the same shall be consolidated and form a single series with such Securities.
		Substitution
		Subject to the fulfilment of certain conditions, the relevant Issuer and, in case of Securities issued by Mediobanca International, the Guarantor may at any time (subject to certain conditions as provided in the Terms and Conditions) without the consent of the holders of Securityholders, substitute Mediobanca in place of Mediobanca International or Mediobanca International in place of Mediobanca.
C.11	**Trading of securities**	The Central Bank of Ireland has approved this document as a base prospectus. Application has also been made for Securities issued under the Programme to be admitted to trading on the regulated market of the Irish Stock Exchange.
		Securities may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets as may be agreed between the relevant Issuer, the Guarantor (where applicable) and the relevant Dealer in relation to the relevant Series. Securities which are neither listed nor admitted to trading on any market may also be issued.
		The Final Terms will state whether or not the relevant Securities are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
C.15	**How the value of the investment is affected by the value of the underlying instrument(s)**	**General**
		[Insert if the Securities are Certificates:
		[Insert if the Securities are Certificates and Normal Performance is applicable:
		The Securities enable investors to participate in [a percentage of] the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [subject to a [cap] [floor].]
		[Insert if the Securities are Certificates and Zero Coupon Extra Yield is applicable:
		The Securities enable investors to participate in the value of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] if the Final Reference Level is [lower] [equal to or greater] than the Strike Level].]
		[Insert if the Securities are Certificates and Performance Differential is applicable:
		The Securities enable investors to participate in the difference between the performance of Reference Item 1 and Reference Item 2 from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]
		[Insert if the Securities are Certificates and Digital Certificates is applicable:

The Securities enable investors to participate in [a percentage of] the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [, and subject to a [cap] [floor],]if the Final Reference Level is [equal to or greater] [lower] than the Digital Level [●] on the Valuation Date [●].]

[Insert if the Securities are Certificates and Reverse Digital Certificates is applicable:

The Securities enable investors to participate in [a percentage of] the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [, and subject to a [cap] [floor],]if the Final Reference Level is [equal to or greater] [lower] than the Digital Level [●] on the Valuation Date [●].]

[Insert if the Securities are Certificates and Twin Win Certificates is applicable:

The Securities enable investors to participate in the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] as follows:

a) If the Final Reference Level is equal to or greater than the Initial Reference Level [●] on the Valuation Date [●], then the investor will receive on the Settlement Date the principal amount invested plus an amount equal to the performance of the Reference Item multiplied by the Up Participation Factor [but subject to the Twin Win Cap]. Such formula will be applicable, regardless of whether or not the Twin Win Stop (European) has occurred.

b) If the Final Reference Level is lower than the Initial Reference Level [●] on the Valuation Date [●] and the Twin Win Stop (European) and the Twin Win Stop (American) have not occurred, then the investor will receive on the Settlement Date the principal amount invested plus an amount equal to the performance of the Reference Item multiplied by the Down Participation Factor [but subject to the Twin Win Cap].

c) If the Twin Win Stop (European) or the Twin Win Stop (American) has occurred on the Valuation Date, the investor will participate in the performance of the Reference Item.

[Insert if the Securities are Certificates and Short Benchmark Certificates is applicable:

The value of the Securities is inversely proportional to the performance of the Reference Item and, as a consequence, the investor will receive on the Settlement Date a positive amount only in the event of negative (decreasing) performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].

[Insert if the Securities are Certificates and Benchmark Certificates is applicable:

The Securities enable investors to participate in the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].

[Insert if the Securities are Certificates and Outperformance Certificates is applicable:

a) If the Final Reference Level is greater than or equal to the Initial Reference Level [●] on the Valuation Date [●], the Securities enable investors to

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receive an amount linked to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] and multiplied by the Participation [and subject to a Cap] .

b) If the Final Reference Level is lower than the Initial Reference Level [●] on the Valuation Date [●], the investors will receive an amount linked to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]

[Insert if the Securities are Certificates and Bonus Certificates is applicable:

a) If the Final Reference Level is greater than or equal to the Initial Reference Level [●] on the Valuation Date [●] and the Bonus Stop (American) and the Bonus Stop (European) have not occurred, the investors will receive an amount equal to the greater between the Initial Reference Level [●]multiplied by the Bonus Factor [●] and the Final Reference Level[, provided that such amount will not be greater than the Bonus Cap [●] multiplied by the Initial Reference Level].

b) If the Final Reference Level is lower than the Initial Reference Level [●] but greater than, or equal to, the Relevant Level and the Bonus Stop (American) and the Bonus Stop (European) have not occurred, the investors will receive an amount equal to the principal amount invested.

c) If the Bonus Stop (American) or the Bonus Stop (European) has occurred the investors will participate to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]

[Insert if the Securities are Certificates and Airbag Certificates is applicable:

a) If the Final Reference Level is greater than or equal to the Initial Reference Level [●] on the Valuation Date [●], and regardless of whether or not an Airbag Event has occurred, the Securities enable investors to participate in a percentage to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [, provided that such amount will not be greater than the Airbag Cap [●]].

b) If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date [●] but equal to or greater than the Airbag Level, the investors will receive an amount equal to the principal amount invested.

c) If the Final Reference Level is lower than the Airbag Level on the Valuation Date [●], the investors will receive an amount equal to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] multiplied by the Airbag Factor [●].]

[Insert if the Securities are Certificates and Memory Autocallable Certificates is applicable:

The investors are exposed to the risk that the Securities are automatically early redeemed on a Remuneration Payment Date if on such date the Final Reference Level is equal to or greater than the Strike Level and in such case the investors will receive an amount equal to the principal amount invested plus a Remuneration Percentage.

If the Securities are not automatically early redeemed then:

a) If the Final Reference Level is equal to or greater than the Initial Reference Level on the Valuation Date [●], investors will receive an amount equal to the principal amount invested plus a Remuneration Percentage.

b) If the Final Reference Level is lower than the Initial Reference Level but equal to or greater than the Autocallable Barrier [●] on the Valuation Date [●], the Securities enable investors to receive the principal amount invested.

c) If the Final Reference Level is lower than the Autocallable Barrier [●] on the Valuation Date [●], the investors will participate in a certain percentage to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]

[Insert if the Securities are Certificates and Autocallable Certificates is applicable:

The investors are exposed to the risk that the Securities are automatically early redeemed if the Final Reference Level is [equal to or greater than] [equal to or lower than] the Strike Level on a Barrier Exercise Date; in such case the investors are entitled to receive the principal amount invested plus any Remuneration Percentage accrued up to such date.

If the Securities are not automatically early redeemed as described above then:

a) If the Final Reference Level is [equal to or greater than] [equal to or lower than] the Barrier Level [●] on the Valuation Date [●], the investors will receive the principal amount invested plus any Remuneration Percentage accrued up to such date.

b) If the Final Reference Level is [lower] [greater] than the Barrier Level [●] on the Valuation Date [●], the Securities enable the investors to participate in a certain percentage to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]

[Insert if the Securities are Certificates and Bonus Autocallable Certificates is applicable:

The investors are exposed to the risk that the Securities are automatically early redeemed if the Final Reference Level is equal to or greater than the Strike Level on a Barrier Exercise Date; in such cases, the investor is entitled to receive the principal amount invested plus any Remuneration Amount accrued up to such date.

If the Securities are not automatically early redeemed as described above, then investors are entitled to receive Remuneration Amounts as follows:

a) If the Final Reference Level is lower than the Strike Level [●] but equal to or greater than the Barrier Level on the Barrier Exercise Date [●], the Securities enable investors to receive the principal amount invested plus any Remuneration Amount accrued up to such date on the Remuneration Payment Date immediately following the Barrier Exercise Date on which the automatic redemption has not occurred.

b) If the Final Reference Level is lower than the Barrier Level on the Barrier Exercise Date [●], investors will receive no Remuneration Amount in relation to such period.

In addition to any Remuneration Amount payable as described above, and provided that the Securities are not automatically redeemed, the amount of Cash Settlement Amount payable to the investors will depend on the following:

a) If the Final Reference Level is equal to or greater than the Strike Level on the Valuation Date [●], the Securities enable investors to receive [an amount linked to a certain percentage of the performance of the Reference Item subject to a cap] [the principal amount invested plus any Remuneration Amount accrued up to such date].

b) If the Final Reference Level is lower than the Strike Level but equal to or greater than the Barrier Level on the Valuation Date [●], the investor is entitled to receive the principal amount invested plus any Remuneration Amount accrued up to such date.

c) If the Final Reference Level is lower than the Barrier Level on the Valuation Date [●], the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item.

[Insert if the Securities are Certificates and Leveraged Certificates is applicable:

The Securities enable investors to participate in the performance of [the Fund [ ]] [a Basket comprising the Funds [ ]] with a leveraged effect.]

[Insert if the Securities are Certificates and Standard Long Autocallable Barrier Protected Certificates is applicable:

The investors are exposed to the risk that the Securities are automatically early redeemed if the Relevant Level is equal to or greater than the Early Redemption Level in the Early Redemption Valuation Period; in such cases, the investor is entitled to receive the Early Redemption Standard Long Amount [which will be at least equal to the principal amount invested.]

If the Securities are not automatically early redeemed as described above, then investors are entitled to receive the Cash Settlement Amounts as follows:

a) If the Final Reference Level is greater than or equal to the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item.

b) If the Final Reference Level is lower than the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item subject to a floor.

[Insert if the Securities are Certificates and Standard Long Barrier Protected Certificates is applicable:

a) If the Final Reference Level is greater than or equal to the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item.

b) If the Final Reference Level is lower than the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item subject to a floor.

[Insert if the Securities are Certificates and Wedding Cake Certificates is

applicable:

The Securities enable investors to receive [a fixed remuneration depending on a certain performance of the Reference Item and] a Cash Settlement Amount depending [also] on the performance of the Reference Item, [in both cases] according to predetermined range[s].]

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Each Security entitles its holder to receive from the relevant Issuer on the Settlement Date the [Cash Settlement Amount, less any Expenses not already paid] [Entitlement, following payment of any sums payable and Expenses]. [The amount of the Cash Settlement Amount will depend on [   ] [the [relative] [level] [value] of the [Reference Item] [Reference Item 1 and Reference Item 2] [on the Valuation Date] [over the Averaging Dates]].] [The value of the Entitlement will depend on its market value at the time of delivery.]]

[Insert if the Securities are Call Warrants:

[The Securities enable investors to participate (with leverage) in the positive performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date]. Conversely, investors also participate (with leverage) in the negative performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] and additionally bear the risk that the Security will expire without value if the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates] is equal to or less than the Strike Price.

Each Security entitles its holder to receive from the relevant Issuer on the Settlement Date the [Cash Settlement Amount (if the Final Reference Level exceeds the Strike Price), less any Expenses not already paid] [Entitlement (subject to payment of the Exercise Price), following payment of any sums payable and Expenses]. If the Final Reference Level is equal to or less than the Strike Price, the Security will expire and the holder will not receive any [Cash Settlement Amount] [Entitlement]. [The [amount of the Cash Settlement Amount] will depend on the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates].] [The value of the Entitlement will depend on its market value at the time of delivery.]

[Insert if the Securities are Put Warrants:

[The Securities enables investors to participate (with leverage) in the negative performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date]. Conversely, investors also participate (with leverage) in the positive performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] and additionally bear the risk that the Security will expire without value if the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates] is equal to or greater than the Strike Price.

Each Security entitles its holder to receive from the relevant Issuer on the Settlement Date the [Cash Settlement Amount (if the Strike Price exceeds the Final Reference Level), less any Expenses not already paid] [Entitlement (subject to payment of the Exercise Price), following payment of any sums payable and Expenses]. If the Final Reference Level is equal to or greater than the Strike Price, the Security will expire and the holder will not receive any [Cash Settlement

Amount] [Entitlement]. [The [amount of the Cash Settlement Amount] will depend on the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates].] [The value of the Entitlement will depend on its market value at the time of delivery.]

[Insert if the Certificates are Single Name Credit Linked Certificates:

The Certificates enable investors to receive an enhanced rate of remuneration as a result of their exposure to the Reference Entity (as defined in Element C.20 below). However, if a Credit Event occurs with respect to the Reference Entity, the Certificates will be redeemed in full prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in [*specify currency*]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to [*specify any fixed or pre-determined amount*]] [value of the Deliverable Obligations deliverable on settlement will [be [*specify*] [depend on various factors including the market value of obligations of the Reference Entity at the time of delivery]].

If no Credit Event occurs, Certificateholders will receive a Final Cash Settlement Amount of [ ] on the Exercise Date.]

[Insert if the Certificates are First-to-Default Credit Linked Certificates or Nth-to-default Credit Linked Certificates:

The Certificates enable investors to receive an enhanced rate of interest as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, if a Credit Event occurs with respect to [any] of [the [first][second][third] [ ]] Reference Entity, the Certificates will be redeemed in full prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in [*specify currency*]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to [*specify any fixed or pre-determined amount*]] [value of the Deliverable Obligations deliverable on settlement will [be [*specify*]] [depend on various factors including the market value of obligations of the Reference Entity at the time of delivery]].

If no Credit Event occurs, Certificateholders will receive a Final Cash Settlement Amount of [ ] on the Exercise Date.]

[Insert if the Certificates are Linear Basket Credit Linked Certificates:

The Certificates enable investors to receive an enhanced rate of remuneration as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, if a Credit Event occurs with respect to a Reference Entity, the Certificates will be redeemed in part prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in [*specify currency*]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to [*specify any fixed or pre-determined amount*]] [value of the Deliverable Obligations deliverable on settlement will [be [*specify*] [depend on various factors including the market value of obligations of the Reference Entity at the time of

delivery]].

If no Credit Event occurs, Certificateholders will receive a Final Redemption Amount of [ ] on the Exercise Date.]

[Insert if the Certificates are Nth-to-Default Linear Basket Credit Linked Certificates:

The Certificates enable investors to receive an enhanced rate of remuneration as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, upon the occurrence of a Credit Event and a Credit Event Determination Date with respect to the Nth Reference Entity, the Certificates will not be redeemed (neither in whole nor in part) prior to their Exercise Date but if a Credit Event occurs with respect to the Remaining Reference Entity(ies), the Certificates will be redeemed in part prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in [*specify currency*]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to [*specify any fixed or pre-determined amount*]] [value of the Deliverable Obligations deliverable on settlement will [be [*specify*] [depend on various factors including the market value of obligations of the Remaining Reference Entity at the time of delivery]].

If no Credit Event occurs, Certificateholders will receive a Final Redemption Amount of [ ] on the Exercise Date.]

| C.16 | **Expiration or maturity date – exercise date or final reference date** | **[Exercise Date**

[The Exercise Date of the Securities is [●] [, provided that such date may be extended in certain circumstances in the event that a Credit Event may have occurred on or prior to such date].] [The Securities are European Style Warrants.]

[Exercise Period

The Exercise Period for the Securities is [●] to [●]. [The Securities are American Style Warrants.]

[Insert if Averaging does not apply to the Securities:

Valuation Date

The Valuation Date of the Securities is [●], subject to certain adjustment provisions which will apply if [●] is not a scheduled trading day on which [(i) the Index Sponsor fails to publish the level of the Index,] [(ii)] [(i)] any relevant stock exchange fails to open for trading during its regular trading session or [(iii)] [(ii)] certain market disruption events have occurred.]

[Insert if Averaging applies to the Securities:

Averaging Date(s)

The Averaging Dates of the Securities are [●], subject to certain adjustment provisions which will apply if [●] is not a scheduled trading day on which [(i) the Index Sponsor fails to publish the level of the Index,] [(ii)] [(i)] any relevant stock exchange fails to open for trading during its regular trading session or [(iii)] [(ii)] |

certain market disruption events have occurred.

Settlement Date

[Insert if the Securities are Cash Settled:

The Settlement Date of the Securities is [the [ ]th business day following the [Valuation Date] [last] [Averaging Date].

[Insert if the Securities are Physically Settled Securities:

The Settlement Date of the Securities is [●].

[Insert if Barrier Event applies:

Barrier Event

[Insert if the Securities are Warrants:

If a Barrier Event has occurred, each [Warrant] [Unit] entitles its holder to receive from the Issuer on [●] (the "**Barrier Exercise Date[s]**") the Barrier Cash Settlement Amount [, less any Expenses not already paid]. [Each [Warrant] [Unit] shall be automatically exercised on the Barrier Exercise Date falling on [●]].

[Insert if the Securities are Certificates:

If a Barrier Event has occurred, each Certificate entitles its holder to receive from the Issuer on [●] (the "**Barrier Exercise Date[s]**") the [Barrier Cash Settlement Amount] [Barrier Entitlement] [, less any Expenses not already paid]. [Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●]].]

"**Barrier Event**" means that the Settlement Price [is equal to] [and/or] [exceeds] [falls below] the Barrier Level [ ] on [the Barrier Observation Date [ ]] [at any time during the Barrier Observation Period [ ]] [and the Barrier Level [ ] on [the Barrier Observation Date [ ]] [at any time during the Barrier Observation Period [ ].]

[Insert if the Securities are Certificates and Leveraged Certificates is applicable:

If a Barrier Event has occurred, each Certificate entitles its holder to receive from the Issuer on [●] (the "**Barrier Exercise Date[s]**") the [Barrier Cash Settlement Amount] [Barrier Entitlement] [, less any Expenses not already paid]. [Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●]].]

"**Barrier Event**" means that [the Reference Level [is equal to] [and/or] [exceeds] [falls below] the Barrier Level on a Barrier Observation Date.

"**Reference Level**" means

*Reference Level$_0$ * (1 + Participation Factor * $\frac{Fund\ Level_t - Fund\ Level_0}{Fund\ Level_0}$ - (Participation Factor-1) * Fees$_t$)]*

[Insert if the Securities are Certificates and "Call Option" is applicable:

[Insert if European Style is applicable:

Call Option European Style

The Issuer may, on giving prior notice (Call Option Exercise Notice) which notice must be received by the Securityholders no later than the last day of the Call Option Exercise Notice Period [●], exercise [all] [or] [some] of the Certificates on the Optional Exercise Date[s] (Call) and the Issuer shall pay the Optional Cash Settlement Amount (Call) [together with any remuneration accrued to such date in respect of each Certificate].]

[Insert if American Style is applicable:

Call Option American Style

By giving prior notice to the Securityholders – which notice must be received by the Securityholders no later than the end of the Call Option Exercise Notice Period [●] - the Issuer may at any time during the Call Option Exercise Notice Period [●], exercise [all] [or] [some] of the Certificates and the Issuer shall pay the Optional Cash Settlement Amount (Call) [together with any remuneration accrued to such date in respect of each Certificate].]

[Insert if Call Option Condition is applicable:

Such option may be exercised by the Issuer only upon the occurrence of the following Call Option Condition[s]: [   ]]]

[***Insert if the Securities are Certificates and "Put Option" is applicable:***

[Insert if European Style is applicable:

Put Option European Style

The Issuer shall, at the option of the Securityholder, exercise such Certificate on the Optional Exercise Date[s] (Put) at its Optional Cash Settlement Amount (Put) [together with any remuneration accrued to such date in respect of each Certificate]. To exercise the Put Option, the Securityholder shall deposit such Certificate together with the Put Option Exercise Notice with any Paying Agent during the period from the first Business Day of the Put Option Exercise Notice Period [●] until 17:00 CET on the last Business Day of the Put Option Exercise Notice Period [●], in relation to each Optional Exercise Date (Put) [●].]

[Insert if American Style is applicable:

Put Option American Style

The Issuer shall, at the option of the Securityholder, exercise such Certificate on the Optional Exercise Date[s] (Put) at its Optional Cash Settlement Amount (Put) [together with any remuneration accrued to such date in respect of each Certificate]. To exercise the Put Option which may be exercised at any time during the Put Option Exercise Notice Period [●], the Securityholder shall deposit such Certificate together with the Put Option Exercise Notice with any Paying Agent. The Put Option Exercise Notice must be deposited no later than the end of the relevant Put Option Exercise Notice Period.]]

Optional Cash Settlement Amount

		The Optional Cash Settlement Amount due in respect of each Certificate pursuant to the exercise of the [Call Option] [Put Option] shall be:
		[[●]] [including any remuneration accrued up to [ ]]
C.17	A description of the settlement procedure of the derivative securities	*[Insert if the Securities are Cash Settled Securities:* [Subject as provided in Element C.18 below, the] [The] Issuer shall pay or cause to be paid the Cash Settlement Amount (if any) for each Security by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, for value on the Settlement Date, less any Expenses not already paid, such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg, as the case may be. The Issuer's obligations will be discharged by payment to, or to the order of, Euroclear or Clearstream, Luxembourg (as the case may be) of the amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular amount of the Securities must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each such payment.] *[Insert if the Securities are Physically Settled Securities:* [Subject as provided in Element C.18 below and] [Subject] to payment of any Expenses with regard to the relevant Securities, the relevant Issuer shall, on the Settlement Date, deliver, or procure the delivery of, the Entitlement for each Security pursuant to the details specified in a notice (the "**Physical Delivery Confirmation Notice**") provided by the relevant Securityholder. In the event that no valid Physical Delivery Confirmation Notice has been duly delivered at or prior to 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date in respect of a Security, the relevant Issuer in respect of such Security shall pay or cause to be paid the Assessed Value Payment Amount by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg as soon as reasonably practicable following the determination of the Assessed Value Payment Amount. Upon payment of the Assessed Value Payment Amount as aforesaid, the relevant Issuer's obligations in respect of such Certificate shall be discharged. The "**Assessed Value Payment Amount**" means an amount determined by the Calculation Agent to be the fair market value of the Relevant Assets comprised in the Entitlement in respect of the relevant Certificate, less any Expenses. *[Insert if the Securities have an option to vary settlement:* Upon a valid exercise of Securities in accordance with the Terms and Conditions, the relevant Issuer may, at its sole and unfettered discretion, in respect of each such Security, elect not to pay the relevant Securityholders the Cash Settlement Amount or not to deliver or procure delivery of the Entitlement to the relevant Securityholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Securityholders, as the case may be. Notification of such election will be given to Securityholders no later than 10.00 a.m. (Luxembourg time) on the second Business Day following [the Exercise Date (*for Certificates*)] [the Actual Exercise Date (*for Warrants*)] in accordance with Condition 8 (*Notices*).

C.18	Return on the derivative securities	*[Insert if the Securities (other than Credit Securities) are Cash Settled Securities:*
		The return on the Securities takes place by the payment by the relevant Issuer on the Settlement Date of the Cash Settlement Amount, less any Expenses not already paid, to each Securityholder.

[Insert if the Securities (other than Credit Securities) are Physically Settled Securities:

The return on the Securities takes place by the delivery by the relevant Issuer on the Settlement Date of the Entitlement, subject to the payment of any Expenses, to each Securityholder.

Exercise of Securities

[Insert if the Securities are Certificates:

Each Security shall be automatically exercised on the Exercise Date.]

[Insert if the Securities are Italian Listed Certificates:

In respect of a Security listed on the electronic "Securitised Derivatives Market" (the "**SeDeX**"), organised and managed by Borsa Italiana S.p.A. (the "**Italian Stock Exchange**"), prior to the relevant time, the Securityholder may renounce any automatic exercise of such Security by the delivery or sending by authenticated swift message (confirmed in writing) of a duly completed renouncement notice to the relevant clearing system, with a copy to the Fiscal Agent and the relevant Issuer, in compliance with the laws and regulation, including the regulations of the Italian Stock Exchange, applicable from time to time.]]

[Insert if the Securities are Warrants:

[Insert if the Securities are American Style Warrants:

The Securities are exercisable on any Exercise Business Day during the Exercise Period by the delivery of an Exercise Notice.

If Automatic Exercise is not specified as being applicable in the applicable Final Terms, any Security with respect to which no Exercise Notice has been delivered in at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the last Exercise Business Day of the Exercise Period (the "**Expiration Date**"), shall become void.

If Automatic Exercise is specified as being applicable in the applicable Final Terms, any Security (that is not a definitive Warrant) with respect to which no Exercise Notice has been delivered at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is in the determination of the Calculation Agent "In-The-Money" shall be automatically exercised on the Expiration Date.

[Insert if the Securities are American Style Warrants and Italian Listed:

In respect of a Security listed on the Italian Stock Exchange, prior to the relevant time, the Securityholder may renounce any automatic exercise of such Security by the delivery or sending by authenticated swift message (confirmed in writing) of a

duly completed renouncement notice to the relevant clearing system, with a copy to the Fiscal Agent and the relevant Issuer, in compliance with the laws and regulation, including the regulations of the Italian Stock Exchange, applicable from time to time.]]

[Insert if the Securities are European Style Warrants:

The Securities are exercisable on the Exercise Date (or if such a day is not an Exercise Business Day, the immediately succeeding Exercise Business Day (the "**Actual Exercise Date**") by the delivery of an Exercise Notice.

If Automatic Exercise is not specified as being applicable in the applicable Final Terms, any Security with respect to which no Exercise Notice has been delivered in at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Actual Exercise Date, shall become void.

If Automatic Exercise is specified as being applicable in the applicable Final Terms, any Security (that is not a definitive Warrant) with respect to which no Exercise Notice has been delivered at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is in the determination of the Calculation Agent "In-The-Money" shall be automatically exercised on the Actual Exercise Date.

[Insert if the Securities are European Style Warrants and Italian Listed:

In respect of a Security listed on the Italian Stock Exchange, prior to the relevant time, the Securityholder may renounce any automatic exercise of such Security by the delivery or sending by authenticated swift message (confirmed in writing) of a duly completed renouncement notice to the relevant clearing system, with a copy to the Fiscal Agent and the relevant Issuer, in compliance with the laws and regulation, including the regulations of the Italian Stock Exchange, applicable from time to time.]]

[Insert if the Securities (other than Credit Securities) are Cash Settled Securities:

Cash Settlement

Each Certificate entitles its holder to receive from the relevant Issuer on the Settlement Date the Cash Settlement Amount, less any Expenses not already paid.

Cash Settlement Amount

The Cash Settlement Amount shall be the amount which the Securityholder is entitled to receive on the Settlement Date in the Settlement Currency in respect of each such Security, which is [ ] [calculated in accordance with the following:

[Insert if the Securities are Certificates:

[Insert if "Normal Performance" is specified as being applicable in the Final Terms:

[Notional Amount * [Protection Level + Participation Factor * Max (0%; Final Reference Level – Initial Reference Level) * Multiplier]

[Notional Amount * {Protection Level + Min [Cap; Participation Factor * Max

$$((\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1; 0\%)]\}]$$

[Notional Amount * Max [100%; Protection Factor * $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}})$]]

[Notional Amount * [Protection Level + Participation Factor * Max $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1; 0\%)$]]

[*If the Final Reference Level is greater than or equal to the Initial Reference Level,*

[Notional Amount * (1 + Premium + N)]

[Notional Amount * (1 + Premium * N)]

If the Final Reference Level is lower than the Initial Reference Level but equal to or greater than the Relevant Level,

[Notional Amount per Certificate]

[Notional Amount * (1 + Premium)]

If the Final Reference Level is lower than the Initial Reference Level and lower than the Relevant Level

[Notional Amount * $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}})$]

[Notional Amount * (1 + Worst of Amount)]]

[*If the Final Reference Level is equal to or greater than the Relevant Level,*

[Notional Amount per Certificate]

[Notional Amount * (1 + Premium)]

If the Final Reference Level is lower than the Relevant Level

[Notional Amount * $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}})$]

[Notional Amount * (1 + Premium) * $(\frac{1}{\text{Relevant Level}})$]

[Notional Amount * $(\frac{1}{\text{Relevant Level}} + \text{Premium})]]]$

**[*Insert if "Zero Coupon Extra Yield" is specified as being applicable in the Final Terms:*

[*If the Final Reference Level is equal to or greater than the Strike Level,*

Notional Amount per Certificate

If the Final Reference Level is lower than the Strike Level,

Notional Amount * Final Reference Level * Multiplier]

[*If the Final Reference Level is lower than the Strike Level*

Notional Amount per Certificate

If the Final Reference Level is equal to or greater than the Strike Level,

Notional Amount * [100% - (Final Reference Level – Strike Level) * Multiplier]]]

[Insert if "Performance Differential" is specified as being applicable in the Final Terms:

Notional Amount * (1 + (Participation Factor * (Performance of Underlying 1 - Performance of Underlying 2))]

[Insert if "Digital Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is equal to or greater than the Digital Level on the Valuation Date,

[Notional Amount * [100% + Participation Factor * Fixed Percentage]]

[Notional Amount * [100% - Fixed Percentage]]

If the Final Reference Level is lower than the Digital Level on the Valuation Date,

[Notional Amount per Certificate]

[Notional Amount * [100% + Participation Factor * Max (Fixed Percentage; 1- $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}})$)]]

[Notional Amount * Max {0%; 100% - Multiplier * [Barrier Level – $(\frac{\text{Final Reference Level(t)}}{\text{Final Reference Level(t-1)}})$)]}]

[Insert if "Reverse Digital Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is lower than the Digital Level on the Valuation Date,

[Notional Amount * [100% + Participation Factor * Fixed Percentage]]

[Notional Amount * [100% - Fixed Percentage]]

If the Final Reference Level is equal to or greater than the Digital Level on the Valuation Date,

[Notional Amount per Certificate]

[Notional Amount * [100% + Participation Factor * min (Fixed Percentage; $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1)$)]]]

[Insert if "Twin Win Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is greater than or equal to the Initial Reference Level on the Valuation Date,

[Notional Amount * [Protection Level + Up Participation Factor *

$(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1)]$]

[Notional Amount * {Protection Level + Up Participation Factor * min [($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$ - 1); Twin Win Cap]}]

If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date and the Twin Win Stop (European) and the Twin Win Stop (American) have not occurred,

[Notional Amount * [Protection Level + Down Participation Factor * (1 - $\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]

[Notional Amount * {Protection Level + Up Participation Factor * min [($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$ - 1); Twin Win Cap]}]]

If the Twin Win Stop (European) or the Twin Win Stop (American) has occurred on the Valuation Date,

Notional Amount * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]

[Insert if "Short Benchmark Certificates" is specified as being applicable in the Final Terms:

Notional Amount * [Participation Factor + (Strike Level - Final Reference Level) * Multiplier]]

[Insert if "Benchmark Certificates" is specified as being applicable in the Final Terms:

Notional Amount * ($\frac{\text{Reference Level}_t}{\text{Reference Level}_0}$)]

[Insert if "Outperformance Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is greater than or equal to the Initial Reference Level on the Valuation Date,

[Notional Amount * [1 + Participation Factor * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$ - 1)]]

[Notional Amount * {1 + min [Cap; Participation Factor * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$ - 1)]}}

If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date,

Notional Amount * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]

[Insert if "Bonus Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is greater than or equal to the Initial Reference Level and the Bonus Stop (European) and the Bonus Stop (American) have not occurred,

[Notional Amount * max [(Initial Reference Level * Bonus Factor); Final

Reference Level] * Multiplier]

[Notional Amount * min {(Initial Reference Level * Bonus Cap); max [(Initial Reference Level * Bonus Factor); Final Reference Level]}] * Multiplier]

If the Final Reference Level is lower than the Initial Reference Level but greater than or equal to the Relevant Level and the Bonus Stop (European) and the Bonus Stop (American) have not occurred,

Notional Amount per Certificate

If the Bonus Stop (European) or the Bonus Stop (American) has occurred, on the Valuation Date,

Notional Amount * $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}})$]

[Insert if "Airbag Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is greater than or equal to the Initial Reference Level on the Valuation Date,

[Notional Amount * 100% + [Participation Factor * $[(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1)]]$]

[Notional Amount * {100% + min [Participation Factor * $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1)$; Airbag Cap)]}]

If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date but equal to or greater than the Airbag Level,

Notional Amount per Certificate

If the Final Reference Level is lower than the Airbag Level on the Valuation Date,

Notional Amount * Airbag Factor * $(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}})$]

[Insert if "Memory Autocallable Certificates" is specified as being applicable in the Final Terms:

a) *The Memory Autocallable Certificates shall be automatically early redeemed on a Remuneration Payment Date, if on such Remuneration Payment Date the Final Reference Level is equal to or greater than the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Remuneration Payment Date in accordance with the following,*

Notional Amount * (100% + Remuneration Percentage * N)

b) *If the Certificates are not automatically early redeemed:*

If the Final Reference Level is equal to or greater than the Initial Reference Level,

Notional Amount * (100% + Remuneration Percentage * N)

If the Final Reference Level is lower than the Initial Reference Level but equal

to or greater than the Autocallable Barrier on the Valuation Date,

Notional Amount per Certificate

If the Final Reference Level is lower than the Autocallable Barrier on the Valuation Date,

Notional Amount * Participation Factor * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]

[Insert if the Securities are Certificates and Autocallable Certificates is specified as being applicable in the Final Terms:

a) *The Autocallable Certificates shall be automatically redeemed early on a Barrier Exercise Date, if on such date the Final Reference Level is [equal to or greater than] [equal to or lower than] the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Barrier Exercise Date in accordance with the following:*

Notional Amount * (1 + Remuneration Percentage$_t$)

b) *If the Certificates have not been automatically early redeemed as described above, the Cash Settlement Amount will be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following:*

If the Final Reference Level is [equal to or greater than] [equal to or lower than] the Barrier Level on the Valuation Date:

Notional Amount * (1 + Remuneration Percentage$_t$)

If the Final Reference Level is [lower than] [greater than] the Barrier Level on the Valuation Date,

Notional Amount * Participation Factor * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]

[Insert if "Bonus Autocallable Certificates" is specified as being applicable in the Final Terms:

a) *The Bonus Autocallable Certificates shall be automatically early redeemed on a Barrier Exercise Date, if on such date the Final Reference Level is equal to or greater than the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Remuneration Payment Date in accordance with the following,*

Notional Amount * (1 + Remuneration Percentage$_t$)

b) *If the Certificates are not automatically early redeemed:*

If the Final Reference Level is lower than the Strike Level but equal to or greater than the Barrier Level, the Certificate shall pay a Remuneration Percentage on the Remuneration Payment Date immediately following the Barrier Exercise Date wher the automatic early redemption event under a) above has not occurred, in accordance with the following:

Notional Amount * Remuneration Percentage$_t$

If the Final Reference Level is lower than the Barrier Level, no Remuneration

Percentage shall be paid in relation to each of such Remuneration Periods

c) *If the Certificates are not automatically early redeemed as described under a) above and in addition to any payment to be made in accordance with b) above:*

If the Final Reference Level is equal to or greater than the Strike Level,

[Notional Amount * min (Cap; Participation Factor * ($\frac{Final\ Reference\ Level}{Initial\ Reference\ Level}$ - 1)]

[Notional Amount * (1 + Remuneration Percentage)]

If the Final Reference Level is lower than the Strike Level but equal to or greater than the Barrier Level on the Valuation Date,

Notional Amount * (1 + Remuneration Percentage)

If the Final Reference Level is lower than the Barrier Level on the Valuation Date,

Notional Amount * Participation Factor * ($\frac{Final\ Reference\ Level}{Initial\ Reference\ Level}$)]

[Insert if "Leveraged Certificates" is specified as being applicable in the Final Terms:

Reference Level$_0$ * (1 + Participation Factor * $\frac{Fund\ Level_t - Fund\ Level_0}{Fund\ Level_0}$ - (Participation Factor-1) *Fees$_t$)

[Insert if "Standard Long Autocallable Barrier Protected Certificates" is specified as being applicable in the Final Terms:

a) *The Certificates shall be automatically redeemed early on a Barrier Exercise Date at the Early Redemption Standard Long Amount if in the Early Redemption Valuation Period the Relevant Level is greater than, or equal to, the Early Redemption Level. In such event, the Early Redemption Standard Long Amount shall be paid on the Early Payment Date.*

b) *If the Certificates are not automatically early redeemed as described above, the Cash Settlement Amount will be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following:*

If the Final Reference Level is greater than, or equal to, the Barrier Level

Notional Amount * [(Fixed Percentage * Initial Reference Level * Multiplier)]

If the Final Reference Level is lower than the Barrier Level

Notional Amount * {[Max(Final Reference Level; Protection Level)] * Multiplier}

[Insert if "Standard Long Barrier Protected Certificates" is specified as being applicable in the Final Terms:

If the Final Reference Level is greater than, or equal to, the Barrier Level

Notional Amount * [(Fixed Percentage * Initial Reference Level * Multiplier)]

If the Final Reference Level is lower than the Barrier Level

Notional Amount * {[Max(Final Reference Level; Protection Level)] * Multiplier}

[Insert if "Wedding Cake Certificates" is specified as being applicable in the Final Terms:

If, within the relevant Observation Period, the Reference Item remains within Range 1

Notional Amount * FXR_1

[If within the relevant Observation Period, the Reference Item has, at least once, moved outside Range 1 but has remained within Range 2

Notional Amount * FXR_2]

[If, within the relevant Observation Period, the Reference Item has, at least once, moved outside Range 1, Range 2 and any other wider range (other than Range n^{th}) specified as applicable in the relevant Final Terms but has remained within Range n^{th}

Notional Amount * FXR_n]

If the previous condition[s] [has][have] not been met, the Cash Settlement Amount shall be equal to the Notional Amount.

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[provided that the Cash Settlement Amount will not be [greater than the Maximum Amount] [and will not be] [less than the Minimum Amount]. Such amount shall, if applicable, be converted into the Settlement Currency on [●] [the Settlement Date.]

[**Performance of Underlying** is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right] - 1$$
]

[**Performance of Underlying 1**, with respect to Reference Item 1 is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right] - 1$$
]

[**Performance of Underlying 2**, with respect to Reference Item 2 is:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right] - 1$$
]

["**Airbag Cap**" is equal to [●].]

		["**Airbag Factor**" is equal to [●].]

["**Airbag Level**" is equal to [●].]

["**Autocallable Barrier**" is equal to [●].]

["**Barrier Level**" is equal to [●].]

["**Bonus Cap**" is equal to [●].]

["**Bonus Factor**" is equal to [●].]

["**Cap**" is equal to [●].]

["**Certificate Fee Rate**" means [●].]

["**Certificate Level**" means the official closing level of the Reference Item.]

["**Days$_{t-1,t}$**" means the actual number of calendar days between the Calculation Date t-1 and the Calculation Date t.]

["**Day Count Fraction**" means [●].]

["**Digital Level**" is equal to [●].]

["**Down Participation Factor**" is equal to [●].]

["**Early Redemption Level**" means [●].]

["**Early Payment Date**" means [●].]

["**Early Redemption Standard Long Amount**" is equal to [●].]

["**Early Redemption Valuation Period**" means [●].]

["**F**" means the Certificate Fee Rate.]

["**Fee Accrual Commencing Date**" means [●].]

["**Fee Accrual Date**" means [●].]

["**Fee Margin**" means [●].]

["**Final Reference Level**" is the Settlement Price on the Valuation Date.]

["**First Calculation Date**" means [●].]

["**Fixed Percentage**" is equal to [●].]

["**FXR_1**" is equal to [●].]

["**FXR_2**" is equal to [●].]

["**FXR_n**" is equal to [●].]

["**I$_t$**" means the Settlement Price on the Calculation Date t.]

["**I$_{t-1}$**" means the Settlement Price on the Calculation Date t-1.]

["**Initial Reference Level**" [is equal to [●]] [with respect to Reference Item 1 is |

equal to [●] and with respect to Reference Item 2 is equal to [●]].]

["**Multiplier**" is equal to [●].]

["**N**" is equal to [●].]

["**Premium**" is equal to [●].]

["**Range 1**" is equal to [●].]

["**Range 2**" is equal to [●].]

["**Range n**" is equal to [●].]

["**Relevant Level**" is equal to [●].]

["**Relevant Level$_0$**" is equal to [●].]

["**Reference Item**" means [●].]

["**Reference Item 1**" means [●].

["**Reference Item 2**" means [●].]

["**Reference Level$_0$**" means 100.]

["**Reference Level$_t$**" means $\text{Reference Level}_{t-1} * \frac{I_t}{I_{t-1}} * (1 - F * \frac{\text{Days\_t-1,t}}{360})$.]

["**Reference Level$_{t-1}$**" means the Certificate Level on the Calculation Date$_{t-1}$.]

["**Remuneration Percentage**" means [●].]

"**Settlement Currency**" means [●].

"**Settlement Price**" is the amount or value with respect to [the Reference Item] [Reference Item 1 or Reference Item 2, as the case may be] determined by the Calculation Agent on the [Valuation Date] [over the Averaging Dates] in accordance with the Terms and Conditions.

["**Stop Level**" is equal to [●]]

["**Strike Level**" is equal to [●]]

["**Protection Factor**" means [●].]

["**Protection Level**" means [●].]

["**Participation Factor**" means [●].]

["**Twin Win Cap**" is equal to [●]]

["**Up Participation Factor**" is equal to [●]]

["**Worst of Amount**" means an amount equal to the Performance of Components of the Components comprised in the Basket or the Components indicated in the applicable Final Terms having the lowest performance.]

[Insert if the Securities are Call Warrants:

[the Final Reference Level – Strike Level]

[Insert if the Securities are Put Warrants:

[the Strike Level - Final Reference Level]

[provided that the Cash Settlement Amount will not be [greater than the Maximum Amount] [and will not be] less than the Minimum Amount]. Such amount shall, if applicable, be converted into the Settlement Currency on [●] [the Settlement Date].

"**Final Reference Level**" is the [Settlement Price on the Valuation Date] [average of the Settlement Prices on each of the Averaging Dates].

"**Strike Level**" is equal to [●].

"**Settlement Price**" is the amount or value with respect to the Reference Item determined by the Calculation Agent on the [Valuation Date] [over the Averaging Dates] in accordance with the Terms and Conditions.]

"**Reference Item**" means [●].

"**Settlement Currency**" means [●].]

[[Insert if the Securities (other than Credit Securities) are Physically Settled Securities:

Physical Settlement

Each Certificate entitles its holder to receive from the relevant Issuer on the Settlement Date the Entitlement, subject to the payment of any Expenses.

Entitlement

The Entitlement shall mean a quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Securityholder is entitled to receive on the Settlement Date in respect of each such Security following payment of any sums payable and Expenses, which is [in respect of] [each] [Relevant Asset] [Component] [[   ] [Entitlement Units in [   ]]] [Entitlement Units x Entitlement Multiplier] [Entitlement Units x Entitlement Multiplier x Component Weight].

"**Relevant Assets**" means [●] (*include, where applicable, an asset for each Component*).

"**Entitlement Units**" means [[ ] unit[s] of the Relevant Asset[s] relating to the [Component which is [   ]] [Reference Item] (*where the intention is to deliver a basket, insert details of the units of each Relevant Asset[s] relating to each Component*)

["**Entitlement Multiplier**" means [   ] [the quotient of [the Notional Amount] [100] [ ] (as numerator) and the Initial Reference Level (as denominator).]

[Insert if the Securities are Credit Securities:

The return on each Certificate takes place by the payment by the relevant Issuer on each Remuneration Payment Date of an enhanced rate of remuneration as a result of the exposure of Certificateholders via the Certificates to the [Reference

Entity][Reference Entities].

Redemption upon the absence of a Credit Event

If no Credit Event has occurred, the Certificates will be redeemed by payment on the Settlement Date of the Final Cash Settlement Amount, less any Expenses not already paid, to each Certificateholder.]

Redemption upon the occurrence of a Credit Event

[Insert if the Securities are Single Name Credit Linked Certificates, First-to-Default Credit Linked Certificates or N^{th}-to-default Credit Linked Certificates and Cash Settlement or Auction Cash Settlement is the Settlement Basis:

If a Credit Event occurs, the Certificates will be redeemed in full by payment on the [Auction] Cash Settlement Date of the [Auction] Cash Settlement Amount. Notwithstanding the foregoing, the Certificates may be redeemed in full by payment on an alternative date if, as provided in accordance with the Terms and Conditions, no resolution is made in respect of the relevant Credit Event by the credit derivatives determination committee formed in respect thereof.

The [**Auction**] **Cash Settlement Amount** with respect to each Certificate is [   ] [an amount determined by the Calculation Agent to be the greater of (a) zero and (b) an amount equal to (i) 100 per cent. multiplied by (ii) the outstanding principal amount of such Certificate multiplied by (iii) the [Auction] Final Price of the Reference Obligation(s) [adjusted upwards or downwards, as applicable, to reflect the *pro rata* Hedge Unwind Costs]].

["**Auction Final Price**" means the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Certificates determined to be the Auction Final Price in accordance with the relevant credit derivatives auction settlement terms published by the International Swaps and Derivatives Association, Inc.]

["**Final Price**" means the price of the Reference Obligation, expressed as a percentage of its outstanding principal balance or due and payable amount, as applicable, determined by the Calculation Agent in accordance with the Terms and Conditions following the Credit Event.]

["**Hedge Unwind Costs**" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]

[Insert if the Securities are Linear Basket Credit Linked Certificates or N^{th}-to-Default Linear Basket Credit Linked Certificates and Cash Settlement or Auction Cash Settlement is the Settlement Basis:

If a Credit Event occurs, the Certificates will be redeemed in part by payment on the related [Auction] Cash Settlement Date of the related [Auction] Cash Settlement Amount. Notwithstanding the foregoing, the Certificates may be redeemed in part by payment on alternative dates if, as provided in accordance with the Terms and Conditions, no resolution is made in respect of the relevant Credit Event by the applicable credit derivatives determination committee formed in respect thereof.

The [**Auction**] **Cash Settlement Amount** with respect to each Certificate is [   ] [an amount determined by the Calculation Agent to be the greater of (a) zero and

(b) an amount equal to (i) an amount (expressed as a percentage) equal to the Related Nominal Amount of the Reference Entity to which the Credit Event relates divided by the outstanding principal amount of the Certificates then outstanding multiplied by (ii) the outstanding principal amount of such Certificate multiplied by (iii) the [Auction] Final Price of the Reference Obligation(s) [adjusted upwards or downwards, as applicable, to reflect the *pro rata* Hedge Unwind Costs]].

["**Auction Final Price**" means the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Certificates determined to be the Auction Final Price in accordance with the relevant credit derivatives auction settlement terms published by the International Swaps and Derivatives Association, Inc.]

["**Final Price**" means the price of the Reference Obligation, expressed as a percentage of its outstanding principal balance or due and payable amount, as applicable, determined by the Calculation Agent in accordance with the Terms and Conditions following the Credit Event.]

["**Hedge Unwind Costs**" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]

[Insert if the Securities are Single Name Credit Linked Certificates, First-to-Default Credit Linked Certificates or Nth-to-default Credit Linked Certificates and Physical Settlement is the Settlement Basis:

If a Credit Event occurs, the Certificates will be redeemed in full by the delivery on or prior to the Physical Settlement Date of Deliverable Obligations.

The aggregate [outstanding principal balance][due and payable amount] of the Deliverable Obligations which the Issuer will deliver with respect to each Certificate will equal the then outstanding principal amount of such Certificate, subject to the payment of any Delivery Expenses [and Hedge Unwind Costs]] and certain potential other adjustments in accordance with the Terms and Conditions.

["**Hedge Unwind Costs**" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]

[Insert if the Securities are Linear Basket Credit Linked Certificates or N^{th}-to-Default Linear Basket Credit Linked Certificates and Physical Settlement is the Settlement Basis:

If a Credit Event occurs, the Certificates will be redeemed in part by the delivery on or prior to the related Physical Settlement Date of Deliverable Obligations.

The aggregate [outstanding principal balance][due and payable amount] of Deliverable Obligations which the Issuer will deliver with respect to each Certificate is a portion of the then outstanding principal balance of such Certificate which (expressed as a percentage) is the same as the amount (expressed as a percentage) equal to the Related Nominal Amount of the Reference Entity to which the Credit Event relates divided by the aggregate outstanding principal balance of the Certificates then outstanding, subject to the payment of any Delivery Expenses [and Hedge Unwind Costs]] and certain potential other adjustments in accordance with the Terms and Conditions.

["**Hedge Unwind Costs**" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]

[Insert if Barrier Event applies:

Barrier Event

[Insert if the Securities are Warrants:

If a Barrier Event has occurred, each [Warrant] [Unit], entitles its holder to receive from the relevant Issuer on [each] [the] Barrier Exercise Date the [Barrier Cash Settlement Amount] [Barrier Entitlement] [, less any Expenses not already paid]. [Each [Warrant] [Unit] shall be automatically exercised on the Barrier Exercise Date falling on [●]].]

"**Barrier Event**" means that, the Settlement Price [is equal to] [and/or] [exceeds] [falls below] the Barrier Level [   ] on [the Barrier Observation Date[   ]] [at any time during the Barrier Observation Period [   ]][and the Barrier Level [   ] on [the Barrier Observation Date [   ]] [at any time during the Barrier Observation Period [   ].].

"**Barrier Level**" means [●].

"**Barrier Cash Settlement Amount**" means the amount which the Securityholder is entitled to receive on [each] [the] Barrier Exercise Date [in the Settlement Currency] in relation to each [Warrant] or [Unit], which shall be [●] [the Barrier Reference Level minus the Strike Level] [the Strike Level minus the Barrier Reference Level] [provided that the Barrier Cash Settlement Amount will not be greater than the Barrier Maximum Amount (if any) and will not be less than the Barrier Minimum Amount (if any)].

"**Barrier Entitlement**" means [the quantity of the Relevant Asset] [the Relevant Assets] which a Securityholder is entitled to receive on [each] [the] Barrier Exercise Date in respect of each [Warrant] or [Unit] which shall be the Entitlement Units multiplied by the Entitlement Multiplier [multiplied by the Component Weight (*in respect of any Reference Item constituted by a Basket*)].

"**Barrier Reference Level**" means the Settlement Price on [the relevant Barrier Observation Date] [the relevant day during the Barrier Observation Period on which the Barrier Event occurs].

[Insert if the Securities are Certificates:

If a Barrier Event has occurred, each Certificate entitles its holder to receive from the relevant Issuer on [each] [the] the Barrier Exercise Date the [Barrier Cash Settlement Amount] [Barrier Entitlement][, less any Expenses not already paid]. Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●].]

"**Barrier Event**" means that the Settlement Price [is equal to] [and/or] [exceeds] [falls below] the Barrier Level [   ] on [the Barrier Observation Date [   ]] [at any time during the Barrier Observation Period [   ]] [and the Barrier Level [   ] on [the Barrier Observation Date [   ]] [at any time during the Barrier Observation Period [   ].].

"**Barrier Cash Settlement Amount**" means the amount which the Securityholder

is entitled to receive on [each] [the] Barrier Exercise Date [in the Settlement Currency] in relation to each such Security which shall be

[●]

[(i) the Notional Amount multiplied by (ii) (1+ [(Participation Factor multiplied by] Performance of Underlying)].

[(i) the Notional Amount multiplied by (ii) (1 + Premium multiplied by N)]

[, provided that the Barrier Cash Settlement Amount will not be greater than the Barrier Maximum Amount (if any) and will not be less than the Barrier Minimum Amount (if any).] [The Barrier Cash Settlement Amount shall include any [Remuneration Amount] [Remuneration Percentage] accrued up to the Barrier Exercise Date.]

["**Premium**" means [●].]

["**N**" means [●].]

For these purposes, "**Performance of Underlying**" means, with respect to the Reference Item:

$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right] - 1$$

where "**Final Reference Level**" is the Settlement Price on [the relevant Barrier Observation Date] [the relevant day during the Barrier Observation Period on which the Barrier Event occurs].

"**Barrier Entitlement**" means [the quantity of the Relevant Asset] [the Relevant Assets] which a Securityholder is entitled to receive on [each] [the] Barrier Exercise Date in respect of each Certificate which shall be the Entitlement Units multiplied by the Entitlement Multiplier [multiplied by the Component Weight (*in respect of any Reference Item constituted by a Basket*)].

[Insert if the Securities are Certificates and Leveraged Certificates apply:

If a Barrier Event has occurred, each Certificate entitles its holder to receive from the relevant Issuer on [each] [the] Barrier Exercise Date the [Barrier Cash Settlement Amount] [Barrier Entitlement][, less any Expenses not already paid]. Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●].]

"**Barrier Event**" means that the Reference Level [is equal to] [and/or] [exceeds] [falls below] the Barrier Level on [a Barrier Observation Date]

Where

"**Reference Level**" means

*Reference Level$_0$ * (1 + Participation Factor * $\frac{\text{Fund Level}_t - \text{Fund Level}_0}{\text{Fund Level}_0}$ - (Participation Factor-1) * Fees$_t$)*

"**Reference Level$_0$**" means [●]

"**Fees$_t$**" means [●]

"**Barrier Cash Settlement Amount**" means the amount which the Securityholder is entitled to receive on [each] [the] Barrier Exercise Date [in the Settlement Currency] in relation to each such Security which shall be determined by the Calculation Agent at its sole discretion as the ratio of:

Net Proceeds / Number of Certificates issued

Where

"**Net Proceeds**" means the proceeds which the Issuer has actually received from the sale of all the shares or quotas held by it in the Reference Item, net of any costs, expenses or taxes incurred by the Issuer in connection with such sale.]

Expenses

A holder of Securities must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, sale commissions, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("**Expenses**") relating to such Securities.

[Insert if the Securities are Certificates only:

Remuneration and Remuneration Periods

[The Securities do not bear remuneration.]

[Delete the remaining paragraphs if the Securities do not bear remuneration:

[Insert in the case of Remuneration other than Digital Remuneration:

The Securities [bear remuneration at a fixed rate from the Remuneration Commencement Date] [bear remuneration at a floating rate from the Remuneration Commencement Date] [bear remuneration at a [fixed rate][floating rate] from the Remuneration Commencement Date to the Interest Rate Switch Date and shall thereafter bear remuneration at a [fixed rate][floating rate]] [at the applicable Remuneration Rate, such remuneration being payable in arrear on each specified Remuneration Payment Date] [to the Settlement Date] [bear a fixed remuneration depending on a certain performance of the Reference Item, such remuneration being payable in arrear on each specified Remuneration Payment Date (*specify for Wedding Cake Certificates*)] .

[Insert in the case of Securities which bear a Remuneration Rate:

Remuneration Rate

[Insert in the case of fixed rate Remuneration:

The Remuneration Rate for the Securities [from the Remuneration Commencement Date] [Remuneration Rate Switch Date] to the [Remuneration Rate Switch Date][Settlement Date] is [●] per cent. per annum] [from the Remuneration Rate Switch Date to the Settlement Date is [●] per cent. per annum]. The yield in respect of the Securities is [●]. Yield is calculated in accordance with the ICMA Method or any other method indicated in the relevant

Final Terms. [The ICMA Method determines the effective interest rate for the securities taking into account accrued interest on a daily basis.] [In respect of any short or long Remuneration Period as specified in the applicable Final Terms, [the Remuneration Amount payable will be the Broken Amount.]

[*Insert in the case of floating rate Remuneration:*

[*Insert in the case of "Screen Rate Determination" or "CMS Determination":* The Remuneration Rate for each Remuneration Period [from the Remuneration Commencement Date] [Remuneration Rate Switch Date] to the [Remuneration Rate Switch Date][Settlement Date] shall be determined by reference to [●-week[s]] [●- month] [3-month] [6-month] [12-month] [●- year] [GBP-][EUR-][USD-][CHF-] [●-] [EURIBOR] [LIBOR] [LIBID] [LIMEAN] [BOT] [*relevant yield of Government securities*] [CMS] appearing on [●]] (the "**Reference Rate**") and will be determined as [the sum of a Margin of [●] and the Reference Rate so determined] [(i) the sum of a Margin of [●] and the Reference Rate so determined (ii) multiplied by a Rate Multiplier of [●]] [the sum of (i) a Margin of [●] and (ii) the Reference Rate so determined multiplied by a Rate Multiplier of [●]]. If no such rate appears on the applicable page at the relevant time on the Remuneration Determination Date, the rate shall be determined by the Calculation Agent using certain fallback methods. In respect of any short or long Remuneration Period as specified in the applicable Final Terms, the Calculation Agent will determine the Remuneration Rate using [Linear Interpolation] [the relevant Reference Rate on the Remuneration Determination Date]. [For the avoidance of doubt the Remuneration Rate may be a sum of or combination of more than one Reference Rate (plus any applicable Margin) if so specified in the relevant Final Terms.]

[*Insert in the case of "ISDA Determination":* The Remuneration Rate for each Remuneration Period [from the Remuneration Commencement Date] [Remuneration Rate Switch Date] to the [Remuneration Rate Switch Date][Settlement Date] shall be the [the sum of a Margin of [●] and the ISDA Rate] [(i) the sum of a Margin of [●] and the ISDA Rate (ii) multiplied by a Rate Multiplier of [●]] [the sum of (i) a Margin of [●] and (ii) the ISDA Rate multiplied by a Rate Multiplier of [●]] where "**ISDA Rate**" in relation to any Remuneration Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(a)   the Floating Rate Option (as defined in the ISDA Definitions) is [GBP-][EUR-][USD-][CHF-] [●-] [EURIBOR-] [LIBOR-] [LIBID-] [LIMEAN-] [*relevant yield of Government securities*] [*relevant swap rate*] [●-] [Reuters] [Bloomberg] [BBA] [●];

(b)   the Designated Maturity (as defined in the ISDA Definitions) is to [●-week[s]] [●- month] [3-month] [6-month] [12-month]; and

(c)   the relevant Reset Date (as defined in the ISDA Definitions) is [the first day of that Remuneration Period] [●].

In respect of any short or long Remuneration Period as specified in the applicable Final Terms, the Calculation Agent will determine the Remuneration Rate using [Linear Interpolation] [the relevant Reference Rate on the Remuneration Determination Date]. [For the avoidance of doubt the Remuneration Rate may be a sum of or combination of more than one Reference Rate (plus any applicable

Margin) if so specified in the relevant Final Terms.]

"**Linear Interpolation**" means the straight-line interpolation by reference to two rates based on the Reference Rate or the ISDA Rate, as the case may be, one of which will be determined as if the [Specified Duration] were the period of time for which rates are available next shorter than the length of the affected Remuneration Period and the other of which will be determined as if the [Specified Duration] or the Designated Maturity, as the case may be, were the period of time for which rates are available next longer than the length of such Remuneration Period.]

[*Insert if Rate Multiplier is applicable:*

Rate Multiplier

The Remuneration Rate from the Remuneration Commencement Date to the [Remuneration Rate Switch Date] [from the [Remuneration Commencement Date] [Remuneration Rate Switch Date] to the Settlement Date] will also be subject to a Rate Multiplier of [   ].]

[*Insert if Reference Rate Multiplier is applicable:*

Reference Rate Multiplier

The Remuneration Rate from the Remuneration Commencement Date to the [Remuneration Rate Switch Date] [from the [Remuneration Commencement Date] [Remuneration Rate Switch Date] to the Settlement Date] will [also] be subject to a Reference Rate Multiplier of [   ].]

[*Insert if Maximum Remuneration Rate and/or Minimum Remuneration Rate is applicable:*

[Maximum Remuneration Rate] [and] [Minimum Remuneration Rate]

The Remuneration Rate [from the Remuneration Commencement Date to the [Interest Rate Switch Date][Settlement Date] will also be subject to a [[Maximum][Minimum] Remuneration Rate of [●]] [and] a [[Maximum][Minimum] Remuneration Rate of [●]] [and] [from the Remuneration Rate Switch Date to the Settlement Date will [also] be subject to a [[Maximum][Minimum] Remuneration Rate of [●]] [and] a [[Maximum][Minimum] Remuneration Rate of [●]].]

Remuneration Rate Day Count Fraction

The applicable Remuneration Rate Day Count Fraction for the calculation of the amount of Remuneration due within a Remuneration Period will be [1/1] [30/360 (Floating)] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [Actual/360] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)].]

[*Insert in the case of Securities where Remuneration Amount – Component Cash Flows is applicable:*

Remuneration Amount

The Remuneration Amount shall be with respect to each Security and a Remuneration Payment Date, an amount calculated by the Calculation Agent acting in good faith and in a commercially reasonable manner equal to the sum of

the weighted net cash flows (such weighting being equal to the weighting of the relevant Component ETFs in the relevant ETF Basket paid during the immediately preceding Rebalancing Period by the Component ETFs constituting the relevant Proprietary Index during the immediately preceding Rebalancing Period, net of any applicable taxes, costs, expenses, or redemption fees in respect of the immediately preceding Rebalancing Period.]

Remuneration Periods

The Remuneration Periods are the periods commencing on (and including) the Remuneration Commencement Date to (but excluding) the first Remuneration Accrual Date and each period commencing on (and including) a Remuneration Accrual Date to (but excluding) the next following Remuneration Accrual Date.

Remuneration Commencement Date and Remuneration Payment Dates

The Remuneration Commencement Date is [●]. The Remuneration Payment Dates will be [●].

[*Remuneration Determination Date*]

[The Remuneration Determination Date with respect to a Remuneration Period will be [the first day of each Remuneration Period] [the second day on which TARGET2 is open prior to the first day of each Remuneration Period] [the day falling two banking days prior to the first day of each Remuneration Period] [●].]

Remuneration Accrual Dates

The Remuneration Accrual Dates will be [●].

[Insert if "Remuneration Rate Switch" is applicable:

Remuneration Rate Switch Date

The Remuneration Rate Switch Date for the Securities will be [●].]

[Insert if Remuneration Barrier Event applies:

Remuneration Barrier Event

[With effect from the date on which the Remuneration Barrier Event occurred, the Securities will cease to bear remuneration. On the immediately following Remuneration Payment Date, the Remuneration Amount payable will be reduced accordingly.] [Further to the occurrence of a Remuneration Barrier Event the Securities will cease to bear remuneration with effect from the Remuneration Payment Date immediately following the date on which the Remuneration Barrier Event occurred and the Remuneration Amount payable on such date will be calculated in accordance with the definition of Remuneration Amount.] Thereafter, there will be no further Remuneration Payment Dates and no further Remuneration Amounts payable with respect to the Securities.

[Insert if Barrier Event and Remuneration Payment Condition apply:

Remuneration Payment Condition

The [Remuneration Amount] [Fixed Remuneration Amount] [Broken Amount] [Leveraged Amount] shall only be payable on the relevant Remuneration Payment

Dates [●] upon the occurrence of the Remuneration Payment Condition.]

["**Leveraged Amount**" means [●].]]

[Insert in the case of Digital Remuneration, the Securities are Certificates and Cash Settled Securities:

["**Best of Digital Event**" means, with respect to [the Component [Settled Securities [●] upon the occurrence of the Remuneration Payment Condition], the occurrence of the following event:

the Settlement Price is [equal to] [and/or] [exceeds] the Digital Level [●] [on the Digital Observation Date [●]] [at any time during the Digital Observation Period [●]];]

"**Digital Amount**" means, [●];

"**Digital Event**" means that the Settlement Price is [equal to] [and] [exceeds] [falls below] the Digital Level on the Digital Observation Date [at any time during the Digital Observation Period];

"**Digital Level**" means, [●];

"**Digital Observation Date**" means, [●];

"**Digital Observation Period**" means, [●];

"**Digital Payment Date**" means, [●];

["**Worst of Digital Event**" means, with respect to [the Component [[exceeds] [falls below] the Digital Level on the Digital Observation Date [at any time during the Digital Observation Period];]]; and

the Settlement Price is [equal to] [and/or] [falls below] the Digital Level [●] [on the Digital Observation Date [●]] [at any time during the Digital Observation Period [●]];]]

[Insert if the Certificates are Wedding Cake Certificates and Wedding Cake Remuneration applies:

The Remuneration Amount payable on a Remuneration Payment Date shall be an amount calculated by the Calculation Agent in its sole discretion in accordance with the following [and the Day Count Fraction] and rounded :

If, within the relevant Remuneration Period, the Reference Item remains within Remuneration Range 1

Notional Amount * Rate_1 [* Day Count Fraction]

[If, within the relevant Remuneration Period, the Reference Item has, at least once, moved outside Remuneration Range 1 but has remained within Remuneration Range 2

Notional Amount * Rate_2 [* Day Count Fraction]]

[If, within the relevant Remuneration Period, the Reference Item has, at least once, moved outside Remuneration Range 1, Remuneration Range 2 and any other wider remuneration range (other than Remuneration Range n[th]) specified as

applicable in the relevant Final Terms but has remained within Remuneration Range n^{th}

Notional Amount * Rate_n [* Day Count Fraction]]

If the previous condition[s] [has][have] not been met, the Remuneration Amount shall be equal to zero .

"**Rate_1**" means, [●]

"**Rate_2**" means, [●]

"**Rate_n**" means, [●]

"**Remuneration Range 1**" means, [●]

"**Remuneration Range 2**" means, [●]

"**Remuneration Range n^{th}**"means, [●]

["**Day Count Fraction**" means, [●]]

[Insert if the Certificates are Autocallable Certificates and Phoenix Remuneration is applicable:

The Remuneration Amount payable on each Remuneration Payment Date or on the Exercise Date, as the case may be, shall be an amount calculated by the Calculation Agent in its sole discretion in accordance with the following and rounded:

If, on a Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level determined on such date is [equal to or greater than] [equal to or lower than] the Barrier Level, the Remuneration Amount shall be equal to:

Max {0; Notional Amount * [Participation Factor * ((i * Remuneration Rate) – Sum Remuneration Rate(s) Paid)]}

If, on a Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level determined on such date is [lower than][greater than] the Barrier Level, the Remuneration Amount shall be equal to zero.

"**i**" means the number of all the Remuneration Payment Dates plus, as the case may be, the Exercise Date, from the Issue Date up to, and including, the Remuneration Payment Date or the Exercise Date, as the case may be, on which the Remuneration Amount is paid.

"**Sum Remuneration Rate(s) Paid**" means the sum of the Remuneration Rates which have been paid in respect of all the Remuneration Payments Dates from the Issue Date up to, and excluding, the Remuneration Payment Date or the Exercise Date, as the case may be, on which the Remuneration Amount is paid.]

| C.19 | **Exercise price or final reference price of the underlying** | [The Final Reference Level is [the Settlement Price on the Valuation Date] [the average of the Settlement Prices on each of the Averaging Dates].] |
| | | *[Insert if the Securities are Credit Linked Certificates:* |

		Not applicable.]	
C.20	**Description of the type of the underlying and the relevant source of information**	**Type:**	[Index] [Basket of Indices] [Share] [Basket of Shares] [Currency] [Basket of Currencies] [Debt Instrument] [Basket of Debt Instruments] [Commodity] [Basket of Commodities] [Fund] [Basket of Funds] [Proprietary Index] [[Basket of] Reference Entit[y][ies]]
		Name of Reference Item(s):	[●]
			Reference Item 1: [●]
			Reference Item 2: [●]
		[Notional Amounts:	[●]]
		[[Component:	**[●]**
		Component Weights:	[●]]
		[Reference Entit[y] [ies] [and	
		Related Nominal Amount]:	**[●]]**
		[Reference Obligation(s):	**[●]]**
		[Deliverable Obligation(s):	**[●]]**
		[Credit Events:	**[●]]**
		[Issuer][Sponsor]:	[●]
		[Price Source:	[●]]
		[ISIN:	[●]]
		Information on the historical and ongoing performance of the Reference Item [and its volatility] can be obtained [on the public website [●] and] on the [Bloomberg] [Reuters] page [●] [and at the offices of the relevant Issuer at [Piazzetta E. Cuccia, 1, 20121 Milan, Italy] [4, Boulevard Joseph II, L-1840 Luxembourg, Luxembourg].	

Section D – Risks

Element	Description of Element	Disclosure requirement
D.2	**Key risks specific to the Issuer(s)**	There are certain factors that may affect each Issuer's ability to fulfil its obligations under Securities issued under the Programme. These include the following risk factors related to the Mediobanca Group, its operations and its industry: (i) The general economic conditions, the performance of financial markets, interest rate levels, currency exchange rates, changes in laws and regulation, changes in the policies of central banks, particularly the Bank of Italy and the European Central Bank, and competitive factors can change the level of demand for the relevant Issuer's products and services, the credit quality of

borrowers and counterparties, the interest rate margin of the Issuers between lending and borrowing costs and the value of each of the relevant Issuer's investment and trading portfolios.

(ii) The European sovereign debt crisis may adversely affect the Issuer's results of operations, business and financial conditions.

(iii) The Mediobanca Group has exposure to European sovereign debt.

(iv) Fluctuations in interest and exchange rates may affect each Issuer's results.

(v) The financial results of the Issuer may be affected by general economic, financial and other business conditions.

(vi) The credit and capital markets have been experiencing extreme volatility and disruption in recent months.

(vii) Each of the Issuer's investment banking revenues, in the form of financial advisory and debt and equity underwriting fees, are directly related to the number and size of the transactions in which the relevant Issuer participates and may be impacted by continued or further credit market dislocations or sustained market downturns.

(viii) In some of the businesses of each relevant Issuer, protracted adverse market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity.

(ix) In recent months, international and domestic markets experienced extreme volatility and disruption. If extreme volatility and disruption continue in the future, the Issuers' liquidity can be adversely affected.

(x) If the Issuer is unable to continue to respond to the competitive environment in Italy with attractive product and service offerings that are profitable for the Issuers, it may lose market share in important areas of its business or incur losses on some or all of its activities.

(xi) If existing or potential customers believe that the Issuer' risk management policies and procedures are inadequate, the Issuer's reputation, and to a certain extent its revenues and profits, may be negatively affected.

(xii) Each of the Issuers, like all financial institutions, is exposed to many types of operational risk, including the risk of fraud by employees and outsiders, unauthorised transactions by employees or operational errors, including errors resulting from faulty computer or telecommunication systems.

(xiii) Systemic risk could adversely affect the businesses of the Issuer.

(xiv) The investors should note that the portfolio of the Issuer contains so-called "over the counter" (OTC) derivatives. If the financial condition of market counterparties or their perceived creditworthiness deteriorates further, the Mediobanca Group may record further credit valuation adjustments on the underlying instruments insured by such parties.

(xv) A downgrade of Mediobanca's rating may limit Mediobanca's opportunities to extend mortgage loans and may have a particularly adverse effect on Mediobanca's image as a participant in the capital markets, as well as in the

		eyes of its clients.
		(xvi) Changes in the Italian, Luxembourg, and European regulatory framework could adversely affect the business of the Issuer.
		(xvii) Each of the Issuers may be subject to increased capital requirements.
		(xviii) The price or value of a Securityholder's investment in Securities and/or the ability of Mediobanca to satisfy its obligations under the Securities may be affected by the finalization and implementation of the Crisis Management Directive.
D.6	**Key risks specific to the securities**	In addition, there are certain factors which are material for the purpose of assessing the risks related to the Securities.

General

(i)   The Securities may not be a suitable investment for all investors. Investors should be aware that they may lose the value of their entire investment or part of it, as the case may be.

(ii)   An investment in the Securities, which are linked to the Reference Items, may entail significant risks not associated with investments in conventional securities such as debt or equity securities. Set out below is a description of the most common risks.

Risks related to the structure of a specific issue of Securities

(i)   The Securities involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Investors should be prepared to sustain a partial or total loss of the purchase price of the Securities.

(ii)   Certain general risk factors related to the Securities referencing a Reference Item, including that the market price of the Securities may be volatile; that investors may receive no remuneration; that investors may lose all or a substantial portion of their principal in case of non-capital guaranteed Securities; that the Reference Items may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities or indices; that the timing of changes in a Reference Item may affect the actual yield to investors, even if the average level is consistent with their expectations; that with respect to Physical Delivery Securities, there is no assurance that the value of the Entitlement received will not be less than the trading price of the Securities; and Securities are of limited maturity and, unlike direct investments in a share, index, currency, debt instrument, fund, commodity or other asset, investors are not able to hold Securities beyond the Settlement Date in the expectation of a recovery in the price of the underlying.

(iii)   The Cash Settlement Amount (in the case of Cash Settled Securities) or the value of the Entitlement less (in the case of Warrants) the Exercise Price (the "**Physical Settlement Value**") (in the case of Physical Delivery Securities) at any time prior to expiration is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, a

"time value" for the Securities.

(iv)   Prospective investors intending to purchase Securities to hedge against the market risk associated with investing in the Reference Item should recognise the complexities of utilising Securities in this manner.

(v)   Risks relating to Securities which are linked to emerging market Reference Item(s).

(vi)   Risks relating to Index Securities.

(vii)   Risks relating to the Proprietary Indices.

(viii) Risks relating to Share Securities.

(ix)   Risks relating to Currency Securities.

(x)   Risks relating to Dual Currency Certificates.

(xi)   Risks relating to Debt Securities.

(xii)   Risks relating to Commodity Securities,

(xiii) Risks relating to Fund Securities,

(xiv)   Certain considerations associated with Credit Securities, including that investors should note that Credit Linked Certificates differ from ordinary securities issued by the Issuer in that the amount of principal and remuneration payable by the Issuer is dependent on whether a Credit Event has occurred in respect of the relevant Reference [Entity][Entities], investors in Credit Linked Certificates will be exposed to the credit risk of the Reference [Entity][Entities], holders of Credit Linked Certificates will have a contractual relationship only with the Issuer and not with any obligor in respect of any Reference Obligation or any Reference Entity, any quotations used in the calculation of the Cash Settlement Amount may be affected by factors other than the occurrence of the Credit Event, some Reference Obligations may have no, or only a limited, trading market, the terms and conditions of Credit Linked Certificates do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions or the 2014 ISDA Credit Derivatives Definitions (together, the "**Credit Derivatives Definitions**") and there may be differences between the definitions used with respect to Credit Linked Certificates and the Credit Derivatives Definitions.

(xv)   Certain considerations associated with Securities providing for the application of a component weight.

(xvi)   Option Risk for Securities - the Securities are derivative financial instruments which may include an option right and which, therefore, have many characteristics in common with options; transactions in options involve a high level of risk.

(xvii) Certain considerations relating only to Warrants, including that in the case of any exercise of Warrants, there will be a time lag between the time a Warrantholder gives instructions to exercise, or the time the Warrant is automatically exercised, and the time the applicable Cash Settlement Amount (in the case of cash settled warrants) relating to such exercise is

determined, the risks associated with Minimum Exercise Numbers and that there may be limitations on a Warrantholder's ability to exercise the Warrants.

(xviii)   Certain risks related to the remuneration applicable to the Securities.

(xix)   Risks relating to Barrier Events.

Risks related to specific pay-outs applicable to the Certificates

(i)   Risks relating to the Protection Level.

(ii)   Risks relating to the Participation Factor.

(iii)   Risks relating to the Up Participation Factor and the Down Participation Factor.

(iv)   Risks relating to the Bonus Factor.

(v)   Risks relating to the Worst of Amount.

(vi)   Certain considerations associated with Certificates providing for the application of a cap to the Reference Item(s).

(vii)   Risks relating to the Twin Win Stop (European) and the Twin Win Stop (American).

(viii)   Risks relating to the Bonus Stop (European) and the Bonus Stop (American).

(ix)   Risks relating to the Airbag Certificates.

(x)   Risks relating to the Autocallable Barrier for the Memory Autocallable Certificates.

(xi)   Risks associated with the early redemption of the Memory Autocallable Certificates, Autocallable Certificates, Bonus Autocallable Certificates and Standard Long Autocallable Barrier Protected Certificates.

(xii)   Risks related to the Digital Level.

(xiii)   Risk related to the performance of the Reference Item within the Observation Period and/or the Remuneration Period, as the case may be, in respect of the Wedding Cake Certificates.

(xiv)   Risks relating to the memory effect associated with the Phoenix Remuneration in respect of Autocallable Certificates.

Risks related to Securities generally

(i)   The Issuer may have an *option to vary settlement.*

(ii)   The Terms and Conditions of the Securities contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to

		the majority.
	(iii)	The Terms and Conditions of the Securities also provide that the Fiscal Agent and the relevant Issuer may, without the consent of Securityholders, agree to certain modifications to the conditions of the Securities.
	(iv)	If an issue of Securities includes provisions dealing with the occurrence of a market disruption event or a failure to open of an exchange or related exchange, any consequential postponement of the Valuation Date or Averaging Date or any alternative provisions for valuation provided in any Securities may have an adverse effect on the value of such Securities.
	(v)	Risks associated with a Settlement Disruption Event occurring with respect to physically settled Securities.
	(vi)	A holder of Securities must pay all Expenses relating to such Securities.
	(vii)	The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security by any person and all payments made by the relevant Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.
	(viii)	It is not possible to predict whether the taxation regime applicable to Securities on the date of purchase or subscription will be amended during the term of the Securities.
	(ix)	If the relevant Issuer determines that its performance under any Securities has, or that any arrangements made to hedge the relevant Issuer's obligations under any Securities have become, (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable, the relevant Issuer may cancel such Securities.
	(x)	The Terms and Conditions of the Securities are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.
	(xi)	The risks associated with the Securities being represented by one or more Global Securities, which will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg.
	(xii)	Risks associated with certain potential conflicts of interest.
	(xiii)	The risks associated with it being impossible to know the amount of the Securities in circulation on the date of issue.
	(xiv)	The impact on the price of the Securities if further tranches of Securities are issued.
	(xv)	The risks associated with physical delivery requirements and settlement risk.
	(xvi)	if applicable, the amount that Securityholders may receive in certain

circumstances will be adjusted upwards or downwards to reflect the costs of unwinding any associated hedging transactions relating to the Securities.

(xvii) the relevant Issuer and other financial institutions through which payments on the Securities are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Securities characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are not yet outstanding as of 1 January 2019 (the "**Grandfathering Date**"), or the date of publication in the Federal Register of final regulations defining the term "foreign pass thru payment" or are materially modified from that date and (ii) any Securities characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued, pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code or similar law implementing an intergovernmental approach to FATCA.

Risks related to the market generally

(i) Securities may have no established trading market when issued, and one may never develop. The Issuer has not any obligation to purchase the Securities from the Securityholders. However, should the relevant Issuer decide to purchase the Securities, the secondary market pricing that the relevant Issuer may provide on the Securities may reflect the unwinding cost of the hedging portfolio (if any).

(ii) The Issuer will pay amounts in respect of the Securities in the Settlement Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Settlement Currency.

(iii) Credit ratings may not reflect all risks.

(iv) The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers.

(v) Implicit fees (e.g. placement fees, direction fees, structuring fees) may be a component of the Issue/Offer Price of the Securities, but such fees will not be taken into account for the purposes of determining the price of the relevant Securities in the secondary market.

(vi) The Issuer and/or other entities may have the right to withdraw the offer in relation to the Securities, which in such circumstances will be deemed to be null and void.

(vii) It is not possible to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer, or any of its Affiliates may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private agreement.

(viii) Mediobanca will use all reasonable endeavours to maintain the listing of the Securities, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then Mediobanca may apply to de-list the relevant Securities.

Section E – Offer

Element	Description of Element	Disclosure requirement
E.2b	**Reasons for the offer and use of proceeds**	The net proceeds of the issue of each Tranche of Securities will be used for the general corporate purposes of the relevant Issuer.
E.3	**Terms and conditions of the offer**	The offer to invest in the Securities is made from [●] to [●]. [The maximum and minimum amount of application is [●] and [●], respectively.] Payments by investors in respect of the purchase of the Securities shall be made by [●]. The results of the offer will be published in [●] on [●]. The Global Securities will be delivered to the relevant clearing system no later than on the Issue Date.
E.4	**Material interests in the offer**	[Not applicable. There are no material interests with respect to the issue and/or offer of Securities (including any conflicting interests).] [The following constitute material interests with respect to the issue and/or offer of Securities: [●].]
E.7	**Estimated expenses**	[Not applicable - No expenses will be specifically charged to the investors who purchase Securities by the Issuer.][A [●] fee of [●] shall be payable by the investors who purchase Securities to [●].] [●]

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"INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A." SECTION

The third paragraph set out in paragraph "*Important events in Mediobanca's recent history*" in the section "*Information on Mediobanca – Banca di Credito Finanziario S.p.A. – History and development of Mediobanca*" on page 368 of the Base Prospectus shall be replaced by the following paragraph:

As at 27 October 2017, S&P rated Mediobanca A-2 (short-term debt), BBB (long-term debt) and stable (outlook); as at 31 May 2017, Fitch Ratings Limited rated Mediobanca F2 (short-term debt), BBB (long-term debt) and stable (outlook) – see https://www.mediobanca.com/en/investor-relations/financing-rating/rating.html.