



CREDIT SUISSE AG

(incorporated with limited liability in Switzerland)

"PARTICIPATION-NOTES"

**Programme for the issue of
Underlying-linked Securities**

Under its Programme for the issue of Underlying-linked Securities (the "**Programme**"), Credit Suisse AG, a Swiss bank, acting through its Nassau Branch (the "**Issuer**"), subject to all relevant laws and regulations, may from time to time issue securities (the "**Securities**"). This Base Prospectus supersedes all previous base prospectuses relating to the Programme and supplements thereto.

The Securities may be issued on a continuing basis to one or more of the Dealers specified under "Summary of the Programme" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the relevant Dealer shall, in the case of an issue of Securities being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Securities.

An investment in Securities issued under the Programme involves certain risks. For a discussion of these risks see "Risk Factors".

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority under the Luxembourg Act (the "**Luxembourg Act**") dated 10th July, 2005 on prospectuses for securities to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

Notice of the aggregate nominal amount of Securities, interest and/or premium (if any) payable in respect of Securities, the issue price of Securities and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "Terms and Conditions of the Securities") of Securities will be set out in a final terms document (the "**Final Terms**") which, with respect to Securities to be listed on the Official List of the Luxembourg Stock Exchange will be filed with the CSSF.

The Programme provides that Securities may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Securities and/or Securities not admitted to trading on any market.

The Issuer may agree with the relevant Dealer that Securities may be issued in a form not contemplated by the Terms and Conditions of the Securities herein, in which event a Supplement to this Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Securities.

Credit Suisse (Hong Kong) Limited

Arranger

Dated 17th December, 2009.

This Offering Circular comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") and for the purposes of the Luxembourg Act.

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

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

Credit Suisse (Hong Kong) Limited (the "**Arranger**") and the Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger or the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Securities are the Arranger, the relevant Dealer and the persons named in or identifiable following the applicable Final Terms as the financial intermediaries, as the case may be.

No person is or has been authorised by the Issuer, the Arranger or any of the Dealers to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers.

The applicable Final Terms will (if applicable) contain information relating to one or more Reference Underlyings (as defined in "Summary of the Programme") to which the relevant Securities relate and which is contained in such Final Terms. However, unless otherwise expressly stated in a Final Terms, any information contained therein relating to a Reference Underlying will only consist of extracts from, or summaries of, information contained in financial and other information released publicly by the issuer, owner or sponsor, as the case may be, of such Reference Underlying. The Issuer will, unless otherwise expressly stated in the applicable Final Terms, confirm that such extracts or summaries have been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the issuer, owner or sponsor, as the case may be, of such Reference Underlying, no facts have been omitted that would render the reproduced inaccurate or misleading.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Securities (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Securities should purchase any Securities. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Securities constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to any person to subscribe for or to purchase any Securities.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Securities shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Securities of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Securities.

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons unless the Securities are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See "Summary of the Programme" for a description of the manner in which the Securities will be issued.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Securities may be restricted by law in certain jurisdictions. The Issuer, the Arranger and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which would permit a public offering of any Securities or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Securities may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Securities may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Securities. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Securities in the United States, the European Economic Area (including the United Kingdom), Switzerland, Malaysia, Hong Kong, Republic of China ("**Taiwan**"), Singapore, the People's Republic of China (excluding Hong Kong, Macau and Taiwan) ("**PRC**"), Korea, India, Pakistan and Vietnam, see "Transfer and Selling Restrictions". In this Base Prospectus references to "Swiss francs", "SFR", "Sfr", and "CHF" are to the lawful currency for the time being of Switzerland and all references to "U.S. dollars", "US\$" or "cent" are to the lawful currency for the time being of the United States.

PROSPECTIVE PURCHASERS OF THE SECURITIES SHOULD ENSURE THAT THEY UNDERSTAND THE NATURE OF THE SECURITIES AND THE EXTENT OF THEIR EXPOSURE TO RISK AND THAT THEY CONSIDER THE SUITABILITY OF THE SECURITIES AS AN INVESTMENT IN THE LIGHT OF THEIR OWN CIRCUMSTANCES AND FINANCIAL CONDITION. PROSPECTIVE PURCHASERS SHOULD CONDUCT THEIR OWN INVESTIGATIONS AND, IN DECIDING WHETHER OR NOT TO PURCHASE SECURITIES, SHOULD FORM THEIR OWN VIEWS OF THE MERITS OF AN INVESTMENT RELATED TO ANY REFERENCE UNDERLYING (AS DEFINED HEREIN) BASED UPON SUCH INVESTIGATIONS AND NOT IN RELIANCE UPON ANY INFORMATION GIVEN IN THIS DOCUMENT.

PROSPECTIVE PURCHASERS OF THE SECURITIES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH THEY PURCHASE, OFFER OR SELL SUCH SECURITIES OR POSSESS OR DISTRIBUTE

THIS BASE PROSPECTUS AND MUST OBTAIN OR COMPLY WITH ANY CONSENT, APPROVAL, PERMISSION OR REPORTING REQUESTS REQUIRED OF THEM FOR THE PURCHASE, OFFER OR SALE BY THEM OF SUCH SECURITIES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTIONS TO WHICH THEY ARE SUBJECT OR IN WHICH THEY MAKE SUCH PURCHASES, OFFERS OR SALES AND NEITHER THE ISSUER NOR THE ARRANGER NOR ANY OF THEIR RESPECTIVE AFFILIATES SHALL HAVE ANY RESPONSIBILITY THEREFORE.

SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN FACTORS TO BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SECURITIES.

U.S. INFORMATION

This Base Prospectus is being submitted on a confidential basis in the United States to a limited number of QIBs (as defined in Rule 144A) for informational use solely in connection with the consideration of the purchase of the Securities being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Subject to certain exceptions, the Securities may not be offered or sold within the United States, except to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Securities is hereby notified that the offer and sale of any Securities to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

Each purchaser or holder of Securities represented by a Rule 144A Global Security (as defined in "Summary of the Programme") will be deemed, by its acceptance or purchase of such Rule 144A Global Security, to have made certain representations and agreements intended to restrict the resale or other transfer of such Rule 144A Global Securities as set out in "Transfer and Selling Restrictions".

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Securities that are "restricted securities" within the meaning of the Securities Act, the Issuer will furnish, upon the request of a holder of such Securities or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the "**Exchange Act**") nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

FORWARD-LOOKING STATEMENTS

The Issuer has included statements in this Base Prospectus which contain words or phrases such as **will, would, aim, is likely, are likely, believe, expect, expected to, will continue, estimate, intend, plan, seeking to, propose to, future objective, goal, should, can, could, may** and similar expressions or variations of such expressions, that are "forward-looking statements". Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with the expectations of the Issuer with respect to, but not limited to, its ability to successfully implement its strategy, its ability to integrate future mergers or acquisitions into its operations, future levels of non-performing assets and restructured assets, its growth and expansion, the adequacy of its allowance for credit and investment losses, technological changes, investment income, its ability to market new products, cash flow projections, the outcome of any legal or regulatory proceedings it is or becomes a party to, the future impact of new accounting standards, its ability to implement its dividend policy, the impact of Swiss banking regulations on its operations, which includes the assets and liabilities of the Issuer, its ability to roll over its short-term funding sources, its exposure to market risks and the market acceptance of and demand for Internet banking services.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this Base Prospectus include, but are not limited to general economic and political conditions in Switzerland and the other countries which have an impact on the Issuer's business activities or investments, political or financial instability in Switzerland or any other country caused by any factor including any terrorist attacks in the United States or elsewhere or any other acts of terrorism worldwide, any anti-terrorist or other attacks by the United States, a United States-led coalition or any other country, the monetary and interest rate policies of Switzerland, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environment in Europe, Switzerland and regional or general changes in asset valuations. For a further discussion on the factors that could cause actual results to differ, see the discussion under "Risk Factors" contained in this Base Prospectus.

TABLE OF CONTENTS

	Page
Summary of the Programme	7
Summary of Provisions relating to the Securities while in Global Form	12
Risk Factors	14
Documents incorporated by reference.....	30
Form of Final Terms	37
Terms and Conditions of the Securities.....	54
Description of Credit Suisse AG.....	104
General Description of the Programme.....	114
Use of Proceeds.....	115
Transfer and Selling Restrictions	116
Taxation.....	124
General Information	126

SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus and any decision to invest in any Securities should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area no civil liability will attach to the Responsible Persons in any such Member State in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in "Terms and Conditions of the Securities" below shall have the same meanings in this summary.

Issuer: Credit Suisse AG, acting through its Nassau Branch.

Information about the Issuer: The Issuer was established on 5th July, 1856 and registered in the Commercial Register (registration no. CH-020.3.923.549-1) of the Canton of Zurich on 27th April, 1883 for an unlimited duration under the name Schweizerische Kreditanstalt. Credit Suisse's name was changed to Credit Suisse First Boston on December 11, 1996. On 13th May, 2005, the Swiss banks Credit Suisse First Boston and Credit Suisse were merged. Credit Suisse First Boston was the surviving legal entity, and its name was changed to Credit Suisse (by entry in the commercial register).

Credit Suisse AG, a Swiss bank and joint stock corporation established under Swiss law, is a wholly owned subsidiary of Credit Suisse Group AG. Credit Suisse AG's registered head office is in Zurich, and it has additional executive offices and principal branches located in London, New York, Hong Kong, Singapore and Tokyo.

Credit Suisse AG's registered head office is located at Paradeplatz 8, CH-8001, Zurich, Switzerland, and its telephone number is 41-44-333-1111.

Credit Suisse AG's statutory and bank law auditor is KPMG Klynveld Peat Marwick Goerdeler SA, Badenerstrasse 172, 8004 Zurich, Switzerland ("**KPMG**"). KPMG is a member of the Swiss Institute of Certified Accountants and Tax Consultants.

Credit Suisse AG's special auditor is BDO Visura, Fabrikstrasse 50, 8031 Zurich, Switzerland.

Risk Factors: There are certain factors that may affect the Issuer's ability to fulfil its obligations under Securities issued under the Programme. These are set out under "Risk Factors" and include liquidity risks, market risks, credit risks, cross-border and foreign exchange risks, operational risks, legal and regulatory risks and competition risks, among others. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Securities issued under the Programme.

These are set out under "Risk Factors" and include the fact that the Securities may not be a suitable investment for all investors, certain risks relating to the structure of particular Series (as defined in "Distribution" below) of Securities and certain market risks.

Description:	Programme for the issue of Underlying-linked Securities which will be cash settled and relate to one or more Reference Underlyings.
Underlying-linked Securities:	Securities may be issued in respect of which the payment of principal, interest and/or premium under such Securities will be linked to the performance or return of one or more Reference Underlyings in the manner specified in the applicable Final Terms.
Reference Underlying:	One or more assets, factors, formula, index or other variables to which the Securities relate as specified in the applicable Final Terms. The Reference Underlying may include but are not limited to shares of companies, global depositary receipts in relation to shares of companies, warrants relating to shares of companies, units in exchange traded funds and indices.
Arranger:	Credit Suisse (Hong Kong) Limited
Calculation Agent, Principal Paying Agent, Registrar and Transfer Agent:	Credit Suisse (Hong Kong) Limited, Credit Suisse Securities (Europe) Limited or such other entity specified in the applicable Final Terms.
Dealers:	Credit Suisse (Hong Kong) Limited, Credit Suisse Securities (Europe) Limited and any other Dealers appointed by the Issuer from time to time.
Luxembourg Paying Agent and Transfer Agent:	Dexia Banque Internationale à Luxembourg, société anonyme
Certain Restrictions:	Each issue of Securities denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.
Distribution:	The Securities will be distributed on a privately placed basis and may be issued to a Dealer for further distribution. The Securities will be issued in series (each a " Series ") having one or more issue dates but with all other terms identical. Each Series may be issued in tranches (each a " Tranche ").
Currencies:	US dollars or, subject to any applicable legal or regulatory restrictions, any other currency specified in the applicable Final Terms.
Maturities:	Such maturities as may be specified in the applicable Final Terms and as may be allowed or required from time to time by any relevant laws or regulations.

Issue Price: Securities may be issued at their nominal amount or at a discount to their nominal amount, as specified in the applicable Final Terms.

The Issuer may issue the Securities to a Dealer as principal, either at their nominal amount or at a discount to their nominal amount to be agreed upon at the time of issue, for resale to one or more investors and other purchasers at varying prices, to be determined by such Dealer at the time of resale, which may be greater or less than the issue price for such Securities paid by such Dealer.

Form of Securities: The Securities will be issued in registered form.

Each Tranche of Securities will be represented on issue by a Global Security which will be deposited with a common depository for, and registered in the name of a nominee of, Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") on or about the issue date for such Securities. Securities in definitive form will only be issued in certain limited circumstances. A Final Terms will be issued in respect of each Tranche of Securities.

Securities in each Tranche offered and sold in reliance in Regulation S of the Securities Act ("**Regulation S**") will be represented by a global security in registered form (a "**Regulation S Global Security**") which will be deposited with a common depository for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg.

Securities in each Tranche may only be offered and sold in the United States in private transactions to QIBs. The Securities sold to QIBs will be represented by a global security in registered form (a "**Rule 144A Global Security**") which will be deposited with a common depository for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg.

Denomination of the Securities: Securities will be issued in such denominations as specified in the applicable Final Terms save that the minimum denomination of each Security will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Provisions in relation to Interest and Premium: Interest and/or premium may be payable on the Securities. If interest is payable, the Securities may bear interest at a fixed rate or a floating rate; or interest which is calculated by reference to a specified factor such as movements in an index or a currency exchange rate, changes in share or commodity prices or changes in the credit of an underlying entity. If premium is payable, such premium may be at the rate per annum or in a fixed amount, in each case, as specified in the applicable Final Terms. In addition, Securities which have any combination of the foregoing features may also be issued.

The terms of interest and premium payable on the Securities may differ depending on the Securities being issued and such terms will be specified

in the applicable Final Terms.

- Redemption at Maturity:** Unless previously redeemed, the relevant Security will be redeemed by the Issuer at its Redemption Amount (as specified in the Terms and Conditions and the applicable Final Terms) on the maturity date of the Securities. See Condition 5(b) for further details.
- Early Redemption:** The Issuer may redeem the Securities prior to the Maturity Date following the occurrence of certain events as provided in the Terms and Conditions and the applicable Final Terms. Such events may include certain tax events, a Redemption Disruption Event, a Hedging Disruption Event, an Illegality Event (each as defined in the Terms and Conditions) and other events specific to the type of Reference Underlyings and a Series of Securities. If so specified in the applicable Final Terms, the Securities may also be redeemed at the option of the Issuer and/or the Securityholders.
- Further Securities in lieu of payment:** If so specified in the applicable Final Terms, the Issuer may, in lieu of payment of the relevant Redemption Amount or Early Redemption Amount (as the case may be), redeem each Security by issuing further Securities free of charge or at an issue price.
- Taxation and Costs:** All payments by the Issuer in respect of the Securities will be made after deduction of taxes and costs as a result of the Hedge Provider (a) being the direct holder of the Reference Underlyings (or assets constituted thereby) and/or selling and/or realising the Reference Underlyings (or assets constituted thereby); or (b) entering into and/or unwinding any relevant hedging arrangements. Additional provisions will apply if the Reference Underlying is a PRC Share or a PRC Index. See Condition 6 for further details.
- Cross Default:** None.
- Negative Pledge:** None.
- Listing and Admission to Trading:** Application has been made in accordance with the *Loi relative aux Prospectus pour valeurs mobilières* which implements Directive 2003/71/EC of the European Parliament and the Council of 4th November, 2003 into Luxembourg law for Securities issued under the Programme to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange.
- Securities may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to each Series. Securities which are neither listed nor admitted to trading on any market may also be issued.
- The applicable 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 exchange(s) and/or markets.
- Rating:** The Programme is not rated, but the Securities may be rated by one or

more rating agencies, if so specified in the applicable Final Terms.

- Status of the Securities: The Securities will constitute direct, senior, unsubordinated, unconditional and unsecured obligations of the Issuer and will rank *pari passu* among themselves and equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding.
- Governing Law: The Securities and any non-contractual obligations arising out of or in connection with the Securities will be governed by, and construed in accordance with, English law.
- Selling Restrictions: There are restrictions on the offer, sale and transfer of the Securities in the United States, the European Economic Area (including the United Kingdom), Switzerland, Malaysia, Hong Kong, Taiwan, Singapore, the PRC, Korea, India, Pakistan, Vietnam and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Securities. See "Transfer and Selling Restrictions".

SUMMARY OF PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

The following is a summary of the provisions contained in the Global Security which apply while any Securities are represented by a Global Security:

(1) Form

The Securities will, on issue, be represented by a Global Security which will be deposited with a common depository for and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg, for credit to the accounts designated by the person beneficially interested in the Securities for the time being at Euroclear and Clearstream, Luxembourg.

(2) Exchange

The Global Security will be exchangeable in whole but not in part (free of charge to the holder) for definitive Securities if both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so. Thereupon the holder may give notice to the Registrar of its intention to exchange the Global Security for definitive Securities on or after the Exchange Date specified in the notice.

On or after the Exchange Date, the holder of the Global Security may surrender the Global Security to or to the order of the Registrar. In exchange for the Global Security, the Issuer shall deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated definitive Securities. On exchange of the Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant definitive Securities.

(3) Payments

Payments in respect of the Global Security shall be made to its registered holder against presentation and surrender of it to or to the order of the Issuer.

(4) Prescription

Claims in respect of the Securities will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest or premium) after the date upon which payment becomes due.

(5) Transfers

Interests in the Securities are transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg as appropriate.

(6) Notices

So long as the Global Security is held on behalf of Euroclear or Clearstream, Luxembourg, notices required to be given to Securityholders may be given by their being delivered to Euroclear and/or Clearstream, Luxembourg, as the case may be, for communication to Securityholders, rather than by publication as required by the Conditions. Notices may also

be published in a daily newspaper of general circulation in Luxembourg which is expected to be the *Luxemburger Wort*, or alternatively, on the website of the Luxembourg Stock Exchange at www.bourse.lu.

(7) **Accountholders**

For so long as any of the Securities is represented by a Global Security, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular nominal amount of the Securities (each an "**Accountholder**") shall be treated by the Issuer as the holder of that nominal amount for all purposes other than with respect to payments in respect of the Securities, the right to which shall be vested, as against the Issuer, solely in the registered holder of the Global Security in accordance with and subject to its terms. Any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of the Securities standing to the account of any Accountholder shall be conclusive and binding for all purposes.

RISK FACTORS

The purchase of Securities involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Securities. Before making an investment decision, prospective purchasers of Securities should consider carefully, in the light of their own financial circumstances and investment objectives, all the information set forth in this Base Prospectus and, in particular, the considerations set forth below. Words and expressions defined in "Terms and Conditions of the Securities" below shall have the same meanings in this section "Risk Factors".

Factors that may affect the Issuer's ability to fulfil its obligations under Securities issued by it

Liquidity risk

The Issuer maintains available liquidity to meet its obligations in a stressed liquidity environment.

The Issuer's liquidity could be impaired if it could not access the capital markets or sell its assets

The Issuer's ability to borrow on a secured or unsecured basis can be affected by increases in interest rates or credit spreads, the availability of credit or the perception among market participants that the Issuer is experiencing greater liquidity risk. An inability to obtain financing in the unsecured long-term or short-term debt capital markets, or to access the secured lending markets, could have a substantial adverse effect on the Issuer's liquidity. In challenging credit markets, the Issuer's funding costs may increase or it may be unable to raise funds to support or expand its businesses, adversely affecting the results of operations. As a result of continuing dislocation in the financial and credit markets, particularly in the second half of 2008, access to the debt capital markets and secured lending markets by financial institutions, including the Issuer, was adversely affected. The Issuer's access to the debt capital markets was also adversely affected in the U.S. and the euro markets by the provision of government or agency guarantees of eligible financial institutions. Although the Issuer was able to raise unsecured funding in the debt capital markets in 2008 and meet its planned funding needs, the cost of that funding has increased, reflecting credit rating downgrades on many financial institutions, including the Issuer, by the major rating agencies, a very challenging environment for the financial services industry, widening credit spreads, the large unsecured debt funding capacity of financial institutions eligible to benefit from government guarantees and an unprecedented dislocation of the credit markets.

If the Issuer is unable to raise needed funds in the capital markets, it may need to liquidate unencumbered assets to meet its liabilities. In a time of reduced liquidity, the Issuer may be unable to sell some of its assets, or it may need to sell assets at depressed prices, which in either case could adversely affect the results of operations and financial condition.

The Issuer's businesses rely significantly on its deposit base for funding

The Issuer's businesses meet most of their funding requirements using short-term funding sources, including primarily demand deposits, inter-bank loans, time deposits and cash bonds. Although deposits have been, over time, a stable source of funding, this may not continue. In that case, the Issuer's liquidity position could be adversely affected and it might be unable to meet deposit withdrawals on demand or at their contractual maturity, to repay borrowings as they mature or to fund new loans, investments and businesses.

Changes in the Issuer's ratings may adversely affect its business

Reductions in the Issuer's assigned ratings, including in particular its credit ratings, could increase the Issuer's borrowing costs, limit its access to capital markets, increase its costs of capital and adversely affect the ability of its businesses to sell or market their products, engage in business transactions—particularly longer-term and derivatives transactions—and retain their customers. Ratings are assigned by rating agencies, which may reduce, indicate their intention to reduce or withdraw the ratings at any time. The major rating agencies downgraded the Issuer's senior debt ratings or outlooks in the fourth quarter of 2008, reflecting in part the pressures on the financial services industry, the unprecedented dislocation in the financial and credit markets and the deteriorating global economic conditions.

Market risk

The Issuer may incur significant losses on its trading and investment activities due to market fluctuations and volatility

The Issuer maintains large trading and investment positions and hedges in the debt, currency, commodity and equity markets, and in private equity, hedge funds, real estate and other assets. These positions could be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. To the extent that the Issuer owns assets, or has net long positions, in any of those markets, a downturn in those markets could result in losses from a decline in the value of the Issuer's net long positions. Conversely, to the extent that the Issuer has sold assets that it does not own, or has net short positions, in any of those markets, an upturn in those markets could expose the Issuer to potentially significant losses as it attempts to cover its net short positions by acquiring assets in a rising market.

Market fluctuations, downturns and volatility can adversely affect the fair value of the Issuer's positions and its results of operations. Beginning in the second half of 2007 and continuing throughout 2008, the mortgage, financial and credit markets reflected a substantial decline in liquidity. Credit spreads widened significantly, funding costs increased and both equity and debt capital markets experienced significantly increased volatility. The adverse effect of these market conditions, particularly in the second half of 2008, and the deteriorating global economic conditions spread from mortgage and credit products to most other asset classes and business sectors. These conditions have continued in the first quarter of 2009, and the Issuer cannot predict how long they will continue. Adverse market or economic conditions or trends have caused, and may continue to cause, a significant decline in net revenues. In the fourth quarter of 2008, the Issuer took steps to accelerate the implementation of its strategy to substantially reduce risk, volatility and costs in Investment Banking and focus on Asset Management businesses in which it has scale and strength. The Issuer incurred costs and goodwill impairments of CHF 833 million in 2008 as a result of these steps, and it may incur further costs and reduced net revenues in 2009.

As a global financial services company, the Issuer's businesses are materially affected by conditions in the financial markets and economic conditions generally in Europe, the United States and elsewhere around the world. Adverse market and economic conditions have created a challenging operating environment for financial services companies. In particular, the impact of oil prices, interest rates and the risk of geopolitical events have materially affected financial markets and the economy. Movements in interest rates have affected the Issuer's net interest income and the value of its trading and non-trading fixed income portfolios, and movements in equity markets have affected the value of the Issuer's trading and non-trading equity portfolios.

Adverse market or economic conditions, including the inability to obtain credit or its cost, have reduced the number and size of investment banking transactions in which the Issuer provides

underwriting, mergers and acquisitions advice or other services and, therefore, adversely affected its financial advisory and underwriting fees. Such conditions have affected the types and volumes of securities trades that the Issuer executes for customers and have adversely affected the net revenues it receives from commissions and spreads.

The financial and credit markets have had extreme volatility and dislocation since the second half of 2007, and global economic conditions have deteriorated significantly in 2008. If these conditions continue or worsen, the Issuer's financial condition and results of operations could be materially adversely affected.

Unfavourable market or economic conditions have affected the wealth management, corporate and retail banking and asset management businesses by reducing sales of the Issuer investment products and the volume of its asset management activities. In addition, a market downturn could further reduce the Issuer's commission and fee income that is based on the value of its clients' portfolios. An investment performance that is below that of competitors or asset management benchmarks could result in a decline in assets under management and related fees and make it harder to attract new clients. In light of the dislocation in the financial and credit markets, there has been a fundamental shift in client demand from more complex products and significant client deleveraging, and the results of operations of the Issuer's asset management and wealth management businesses could be adversely affected as long as this continues.

Adverse market or economic conditions have negatively affected the Issuer's private equity investments since, if a private equity investment substantially declines in value, the Issuer may not receive any increased share of the income and gains from such investment (to which the Issuer is entitled in certain cases when the return on such investment exceeds certain threshold returns), may be obligated to return to investors previously received excess carried interest payments and may lose its pro rata share of the capital invested. In addition, it could become more difficult to dispose of the investment, as even investments that are performing well may prove difficult to exit in weak initial public offering markets. In 2008, the cost and availability of credit limited leveraged buy-out activity and adversely impacted private equity valuations and exit strategies.

Future terrorist attacks, military conflicts and economic or political sanctions could have a material adverse effect on economic and market conditions, market volatility and financial activity.

The Issuer may incur significant losses in the real estate sector

The Issuer finances and acquires principal positions in a number of real estate and real estate related products, both for its own account and for major participants in the commercial and residential real estate markets, and originates loans, secured by commercial properties. The Issuer also securitizes and trades in a wide range of commercial and residential real estate and real estate related whole loans, mortgages, and other real estate and commercial assets and products, including residential and commercial mortgage backed securities. These businesses were adversely affected by the dislocation in the mortgage and credit markets and the downturn in the United States housing market that began in 2007 and has continued in the first quarter of 2009, and they have been, and could be further, adversely affected by the downturn in other real estate markets, other sectors and the economy as a whole. In light of the credit and financial markets dislocation and deteriorating economic conditions, the Issuer ceased originating residential mortgage loans and reduced its origination capacity in complex real estate related structured products in 2008.

The Issuer's revenues may decline in line with declines in certain sectors or products

Decreasing economic growth in a sector in which the Issuer makes significant commitments, for example, through underwriting, lending or advisory services, could negatively affect the Issuer net revenues.

In 2007 and 2008, investment banking, particularly the leveraged finance and structured products businesses, and asset management, particularly asset backed money market securities, businesses were adversely impacted by the mortgage and credit market dislocation and the deteriorating global economic conditions. The decline in financial sponsor activity has had, and could continue to have, a negative effect on the Issuer results of operations.

Holding large and concentrated positions may expose the Issuer to large losses

Concentrations of risk could increase losses at the Issuer's wealth management, corporate and retail banking and investment banking businesses, which may have sizeable loans to and securities holdings in certain customers or industries. As a result of the credit and financial markets dislocation, the deteriorating economic conditions and the Issuer's actions to reduce risk exposures, the Issuer's risk exposure in certain loans, including emerging markets and commercial real estate, has become more concentrated even as the aggregate portfolio of risk has been reduced. In the second half of 2007, the Issuer's asset management business has also had losses from securities purchased to address liquidity concerns arising from the credit market dislocation, and this increased the Issuer's risk exposure to asset backed securities and structured investment vehicles. This exposure has been materially reduced as of the end of 2008.

The Issuer has significant risk concentration in the financial services industry as a result of the large volume of transactions routinely conducted with broker dealers, banks, funds and other financial institutions, and in the ordinary conduct of the Issuer's business it may be subject to risk concentration with a particular counterparty. During the continuing credit and financial markets dislocation and crisis in confidence in 2008, many financial institution counterparties were acquired, required governmental support or even declared bankruptcy, which caused the Issuer, other financial institutions and the Issuer's regulators to adapt the Issuer's practices and operations to an evolving understanding of its exposure to, and management of, systemic risk and risk concentration to financial institutions. There can be no assurance that the changes in the Issuer's and industry operations, practices and regulation will be effective in managing this risk.

Risk concentration may cause the Issuer to suffer losses even when economic and market conditions are generally favourable for others in the industry.

The Issuer's hedging strategies may not prevent losses

If any of the variety of instruments and strategies the Issuer uses to hedge its exposure to various types of risk in its businesses is not effective, it may incur losses. The Issuer may be unable to purchase hedges or be only partially hedged, or its hedging strategies may not be fully effective in mitigating the Issuer's risk exposure in all market environments or against all types of risk.

Market risk may increase the other risks that the Issuer faces

In addition to the potentially adverse effects on the Issuer's businesses described above, market risk could exacerbate the other risks that the Issuer faces. For example, if the Issuer were to incur substantial trading losses, its need for liquidity could rise sharply while access to liquidity could be impaired. In conjunction with a market downturn, the Issuer's customers and counterparties could also

incur substantial losses of their own, thereby weakening their financial condition and increasing its credit risk to them.

Credit risk

The Issuer may suffer significant losses from its credit exposures

The Issuer's businesses are subject to the risk that borrowers and other counterparties will be unable to perform their obligations. Credit exposures exist within lending relationships, commitments and letters of credit, as well as derivative, foreign exchange and other transactions. For information on management of credit risk, refer to "III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management" in the Credit Suisse Annual Report 2008.

The Issuer management's determination of the provision for loan losses is subject to significant judgment, and the Issuer's banking businesses may need to increase their provisions for loan losses or may record losses in excess of the previously determined provisions if its original estimates of loss prove inadequate and this could have a material adverse effect on its results of operations. For information on provisions for loan losses and related risk mitigation refer to "III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management" and "Note 1—Summary of significant accounting policies in V—Consolidated financial statements—Credit Suisse Group" in the Credit Suisse Annual Report 2008. The Issuer's regular review of the creditworthiness of clients and counterparties for credit losses does not depend on the accounting treatment of the asset or commitment. Changes in creditworthiness of loans and loan commitments that are fair valued are reflected in trading revenues.

In recent years, the Issuer's investment banking business has significantly expanded its use of swaps and other derivatives. As a result, the Issuer's credit exposures have increased and may continue to increase in amount and duration. In addition, the Issuer has experienced, due to competitive factors, pressure to assume longer-term credit risk, to extend credit against less liquid collateral and to price derivative instruments more aggressively based on the credit risks that it takes. The Issuer's investments in, or loans to, hedge funds are an additional source of credit exposure. The credit and financial market dislocation spread from mortgages to other asset classes in 2008 and made it more difficult to sell, syndicate or securitize certain mortgage and credit products, and significantly adversely affected the fair value of, and significantly reduced the Issuer's revenues from, these products. The Issuer also took action to reduce significantly its risk exposure in certain loans, including leveraged finance, emerging markets and commercial real estate loans.

Defaults by a large financial institution could adversely affect financial markets generally and the Issuer specifically

Concerns, or even rumours, about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships between institutions. This risk is sometimes referred to as "systemic risk". In 2008, there were concerns about, defaults by and failures of many financial institutions, and this caused market-wide liquidity problems and could lead to losses or defaults by financial institutions and financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with which the Issuer interacts on a daily basis. The Issuer's credit risk may also be increased when the collateral it holds cannot be realised upon or is liquidated at prices insufficient to cover the full amount of exposure.

The information that the Issuer uses to manage its credit risk may be inaccurate or incomplete

Although the Issuer regularly reviews its credit exposure to specific clients and counterparties and to specific industries, countries and regions that it believes may present credit concerns, default risk may arise from events or circumstances that are difficult to foresee or detect, such as fraud. The Issuer may also fail to receive full information with respect to the credit or trading risks of a counterparty.

Risks from estimates and valuations

The Issuer makes estimates and valuations that affect its reported results, including measuring the fair value of certain assets and liabilities, establishing provisions for contingencies and losses for loans, litigation and regulatory proceedings, accounting for goodwill and intangible asset impairments, evaluating its ability to realize deferred tax assets, valuing equity based compensation awards and the calculation of expenses and liabilities associated with its pension plans. These estimates are based upon judgement and available information, and the Issuer's actual results may differ materially from these estimates. For information on these estimates and valuations, refer to "II—Operating and financial review—Critical accounting estimates" and "Note 1—Summary of significant accounting policies in V—Consolidated financial statements—Credit Suisse Group" in the Credit Suisse Annual Report 2008.

The Issuer's estimates and valuations rely on models and processes to predict economic conditions and market or other events that might affect the ability of counterparties to perform their obligations to the Issuer or impact the value of assets. To the extent the Issuer's models and processes become less predictive due to unprecedented market conditions, illiquidity or volatility, its ability to make accurate estimates and valuations could be adversely affected.

Risks relating to off-balance sheet entities

The Issuer enters into transactions with Special Purpose Entities (SPEs) in its normal course of business, and most SPEs with which the Issuer transacts are not consolidated and their assets and liabilities are off-balance sheet. The accounting requirements for consolidation, initially and if certain events occur that require the Issuer to reassess whether consolidation is required, can require the exercise of significant management judgement. Accounting standards, or their interpretation, for consolidation may change. If the Issuer is required to consolidate an SPE, its assets and liabilities would be recorded on its consolidated balance sheets and the Issuer would recognize related gains and losses in its consolidated statements of operations, and this could have an adverse impact on its results of operations and capital ratios if there are realised or unrealised losses on the assets of these SPEs. For information on the Issuer's transactions with and commitments to SPEs, refer to "III—Treasury, Risk, Balance sheet and Off-balance sheet—Balance sheet, off-balance sheet and contractual obligations—Off-balance sheet" in the Credit Suisse Annual Report 2008.

Cross border and foreign exchange risk

Cross border risks may increase market and credit risks the Issuer faces

Country, regional and political risks are components of market and credit risk. Financial markets and economic conditions generally have been and may be materially affected by such risks. Economic or political pressures in a country or region, including those arising from local market disruptions, currency crises and monetary controls, may adversely affect the ability of clients or counterparties located in that country or region to obtain foreign currency or credit and, therefore, to perform their obligations to the Issuer, which in turn may have an adverse impact on the Issuer's results of operations.

The Issuer may face significant losses in emerging markets

As a global financial services company and industry leader in emerging markets, the Issuer is exposed to economic instability in emerging market countries. The Issuer monitors these risks, seeks diversity in the sectors in which it invests and emphasises customer driven business. The Issuer's efforts at containing emerging market risk, however, may not always succeed. In 2008, the values of equity securities in many emerging markets were very significantly and adversely affected by the global financial and credit market dislocations and also experienced great volatility, and these conditions had, and could continue to have, a negative effect on the Issuer's results of operations.

Currency fluctuations may adversely affect the Issuer's results of operations

The Issuer is exposed to risk from fluctuations in exchange rates for currencies, particularly the U.S. dollar. In particular, a substantial portion of the Issuer's assets and liabilities in its investment banking and asset management businesses are denominated in currencies other than the Swiss franc, which is the primary currency of its financial reporting. The Issuer's capital is also stated in Swiss francs and it does not fully hedge its capital position against changes in currency exchange rates. Exchange rate volatility may have an adverse impact on the Issuer's results of operations and capital position.

Operational risk

The Issuer is exposed to a wide variety of operational risks, particularly information technology risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. In general, although it has business continuity plans, the Issuer's businesses face a wide variety of operational risks, including technology risk that stems from dependencies on information technology and the telecommunications infrastructure and business disruption, including the infrastructure supporting the Issuer's businesses and/or the areas where its businesses or third party suppliers are situated. As a global financial services company, the Issuer relies heavily on its financial, accounting and other data processing systems, which are varied and complex. If any of these systems does not operate properly or is disabled, including as a result of terrorist attacks or other unforeseeable events, the Issuer could suffer financial loss, a disruption of its businesses, liability to its clients, regulatory intervention or reputational damage.

The Issuer has operational risk from errors made in the execution, confirmation or settlement of transactions or in transactions not being properly recorded or accounted for. The Issuer's business depends on its ability to process a large volume of diverse and increasingly complex transactions, including derivatives transactions, which have increased in volume and complexity and which are not always confirmed on a timely basis. The Issuer's businesses also rely on the secure processing, storage and transmission of confidential and other information.

The Issuer may suffer losses due to employee misconduct

The Issuer's businesses are exposed to risk from potential non-compliance with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and serious reputational or financial harm. It is not always possible to deter employee misconduct, and the precautions the Issuer takes to prevent and detect this activity may not always be effective.

In the first quarter of 2008, the Issuer identified mismarks and pricing errors by a small group of traders in certain ABS positions in its CDO trading business in Investment Banking. As a result, the Issuer concluded that a material weakness in internal control over financial reporting existed as of the

end of 2007. As of 31st December 2008, this material weakness no longer existed. For further information on this prior year material weakness and its remediation, refer to “Controls and procedures in V—Consolidated financial statements—Credit Suisse Group” in the Credit Suisse Annual Report 2008.

Risk management

The Issuer has risk management procedures and policies designed to manage its risk. In 2008, the Issuer took steps to adapt its risk management techniques, in particular Value-at-Risk, which relies on historical data, to reflect the unprecedented volatility, illiquidity and dislocations in the financial and credit markets. These techniques and policies, however, may not always be effective, particularly in highly volatile markets. No risk management procedures can anticipate every market development or event, and the Issuer’s risk management procedures and hedging strategies, and the judgements behind them, may not fully mitigate its risk exposure in all markets or against all types of risk. For information on the Issuer’s risk management, refer to “III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management” in the Credit Suisse Annual Report 2008.

Legal and regulatory risks

The Issuer’s exposure to legal liability is significant

The Issuer faces significant legal risks in its businesses, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms are increasing.

The Issuer and its subsidiaries are subject to a number of material legal proceedings, regulatory actions and investigations, and an adverse result in one or more of these proceedings could have a material adverse effect on the Issuer’s operating results for any particular period, depending, in part, upon its results for such period. For information relating to these and other legal and regulatory proceedings involving the Issuer’s investment banking and other businesses, refer to “IX—Legal proceedings” in the Credit Suisse Annual Report 2008.

It is inherently difficult to predict the outcome of many of the legal, regulatory and other adversarial proceedings involving the Issuer’s businesses, particularly those cases in which the matters are brought on behalf of various classes of claimants, seek damages of unspecified or indeterminate amounts or involve novel legal claims. The Issuer’s management is required to establish, increase or release reserves for losses that are probable and reasonably estimable in connection with these matters. For more information, refer to “II—Operating and financial review—Critical accounting estimates” and “Note 1—Summary of significant accounting policies in V—Consolidated financial statements—Credit Suisse Group” in the Credit Suisse Annual Report 2008.

Failure to comply with extensive regulation of the Issuer’s businesses may subject it to significant penalties and may seriously harm its reputation

As a participant in the financial services industry, the Issuer is subject to extensive regulation by governmental agencies, supervisory authorities, and self-regulatory organisations in Switzerland, Europe, the United States and virtually all other jurisdictions in which the Issuer operates around the world. Such regulation is becoming increasingly more extensive and complex and, in recent years, penalties and fines sought and imposed on the financial services industry by regulatory authorities have increased significantly. These regulations often serve to limit the Issuer’s activities, including through net capital, customer protection and market conduct requirements, and restrictions on the businesses in which the Issuer may operate or invest. In recent years, a major focus of international

policy and regulation has been on combating money laundering and terrorist financing. The Issuer expects to face increased regulation and regulatory scrutiny and enforcement in the financial services industry as a result of the unprecedented financial and credit market dislocation in 2008, and the Issuer expects such increased regulation to increase its costs and affect its ability to conduct certain businesses. The Issuer's primary regulator in Switzerland, the Swiss Financial Market Supervisory Authority, responded to the 2008 market crisis by imposing additional capital requirements, and, in November 2008, the Issuer agreed to a decree requiring that it comply with new capital adequacy ratios and leverage capital requirements by the year 2013.

Despite the Issuer's best efforts to comply with applicable regulations, a number of risks remain, particularly in areas where applicable regulations may be unclear or where regulators revise their previous guidance or courts overturn previous rulings. Authorities in many jurisdictions have the power to bring administrative or judicial proceedings against the Issuer, which could result in, among other things, suspension or revocation of its licences, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially adversely affect the Issuer's results of operations and seriously harm its reputation.

Changes in laws, rules or regulations, or in their interpretation or enforcement, may adversely affect the Issuer's results of operations and other regulators may impose additional capital requirements on its regulated subsidiaries.

For a description of the Issuer's regulatory regime and capital requirements, refer to "I—Information on the company—Regulation and supervision" in the Credit Suisse Annual Report 2008.

Changes in monetary policy are beyond the Issuer's control and difficult to predict

The Issuer is affected by the monetary policies adopted by the central banks and regulatory authorities of Switzerland, the United States and other countries. The actions of the United States Federal Reserve and other central banking authorities directly impact the Issuer's cost of funds for lending, capital raising and investment activities and may impact the value of financial instruments the Issuer holds and the competitive and operating environment for the financial services industry. In addition, changes in monetary policy may affect the credit quality of the Issuer's customers. Any changes in monetary policy are beyond the Issuer's control and difficult to predict.

Legal restrictions on its clients may reduce the demand for the Issuer's services

The Issuer may be materially affected not only by regulations applicable to it as a financial services company, but also by regulations of general application. For example, the volume of the Issuer's businesses in any one year could be affected by, among other things, existing and proposed tax legislation, antitrust and competition policies, corporate governance initiatives and other governmental regulations and policies and changes in the interpretation or enforcement of existing laws and rules that affect business and the financial markets.

Competition

The Issuer faces increased competition due to consolidation and new entrants

The Issuer faces intense competition in all financial services markets and for the products and services it offers. Consolidation, through mergers and acquisitions, alliances and cooperation, including as a result of financial distress, is increasing competition. Competition is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve client needs. Consolidation has

created a number of firms that, like the Issuer, have the ability to offer a wide range of products, from loans and deposit taking to brokerage, investment banking and asset management services. Some of these firms may be able to offer a broader range of products than the Issuer does, or offer such products at more competitive prices. Current market conditions have increased consolidation in the Issuer's industry as many institutions have merged, declared bankruptcy, received government assistance or changed their regulatory status, which will affect how they conduct their businesses. In addition, current market conditions have had a fundamental impact on client demand for products and services. Although the Issuer expects the increasing consolidation and changes in its industry to offer opportunities, it can give no assurance that its results of operations will not be adversely affected.

The Issuer's competitive position could be harmed if its reputation is damaged

In the highly competitive environment arising from globalisation and convergence in the financial services industry, a reputation for financial strength and integrity is critical to the Issuer's performance, including its ability to attract and maintain clients and employees. The Issuer's reputation could be harmed if its comprehensive procedures and controls fail, or appear to fail, to address conflicts of interest, prevent employee misconduct, produce materially accurate and complete financial and other information or prevent adverse legal or regulatory actions.

The Issuer must recruit and retain highly skilled employees

The Issuer's performance is largely dependent on the talents and efforts of highly skilled individuals. Competition for qualified employees is intense. The Issuer has devoted considerable resources to recruiting, training and compensating employees. The Issuer's continued ability to compete effectively in its businesses depends on its ability to attract new employees and to retain and motivate its existing employees.

The Issuer faces competition from new trading technologies

The Issuer's Private Banking, Investment Banking and Asset Management businesses face competitive challenges from new trading technologies, which may adversely affect commission and trading revenues, exclude the Issuer's businesses from certain transaction flows, reduce its participation in the trading markets and the associated access to market information and lead to the creation of new and stronger competitors. The Issuer may also be required to make additional expenditures to develop or invest in new trading systems or otherwise to invest in technology to maintain its competitive position.

Risks relating to the Issuer's strategy

Risk from financial services businesses that the Issuer acquires or joint ventures the Issuer undertakes

Even though the Issuer reviews the records of companies it plans to acquire, it is generally not feasible for the Issuer to review in detail all such records. Even an in-depth review of records may not reveal existing or potential problems or permit the Issuer to become familiar enough with a business to assess fully its capabilities and deficiencies. As a result, the Issuer may assume unanticipated liabilities, or an acquisition may not perform as well as expected. The Issuer also faces the risk that it will not be able to integrate acquisitions into its existing operations effectively as a result of, among other things, differing procedures, business practices and technology systems, as well as difficulties in adapting an acquired company into its organisational structure. The Issuer faces the risk that the returns on acquisitions will not support the expenditures or indebtedness incurred to acquire such businesses or the capital expenditures needed to develop such businesses.

In addition, in recent years the Issuer has undertaken a number of new joint ventures and strategic alliances. Although the Issuer endeavours to identify appropriate partners, its joint venture efforts may prove unsuccessful or may not justify its investments and other commitments.

Risk to achieving costs targets

The Issuer may not achieve the CHF 2 billion in cost savings from the accelerated implementation of its strategic plan by the end of 2009 unless it is able to complete the related headcount reduction of 5,300 in 2009.

Risks related to the structure of a particular issue of Securities

A wide range of Securities may be issued under the Programme. A number of these Securities may have features which contain particular risks for potential investors. Set out below is a description of the most common of these features.

Underlying-linked Securities

The Securities may be linked to Reference Underlyings, where the amount of principal and/or interest payable are dependent upon the price or level of, or changes in the price or level of, such Reference Underlyings. In addition, the principal, interest or premium payable on the Securities may be in one or more currencies which may be different from the currency in which the Securities are denominated. An investment in Underlying-linked Securities may entail significant risks not associated with investments in conventional debt securities. The relevant redemption amount paid by the Issuer in respect of the redemption of Underlying-linked Securities may be less than the nominal amount of the Securities and may in certain circumstances be zero.

Potential investors in any such Securities should be aware that depending on the terms of the Securities:

- (i) the market price of such Securities may be volatile;
- (ii) they may receive no, or a limited amount of, interest or premium;
- (iii) payment of principal, interest or premium may occur at a different time than expected;
- (iv) they may lose all or a substantial portion of their investment;
- (v) the price or level of the Reference Underlying may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if the amount of principal, interest and/or premium payable are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price or level of the Reference Underlying on principal, interest or premium payable will be magnified; and
- (vii) the timing of changes in the price or level of the Reference Underlying may affect the actual yield to investors, even if the average price or level is consistent with their expectations. In general, the earlier the change in the price of the Reference Underlying, the greater the effect on yield.

Where the Securities are Index Linked Securities, the Calculation Agent may determine that an event giving rise to a Disrupted Day (as defined in the Applicable Schedule) has occurred at any relevant

time. Any such determination may have an effect on the timing of valuation and consequently the value of the Securities and/or may delay settlement in respect of the Securities. Prospective purchasers should review the Terms and Conditions of the Securities and the applicable Final Terms to ascertain whether and how such provisions apply to the Securities.

The market price of the Securities may be volatile and may be affected by the time remaining to the redemption date, the volatility of the price or level of the Reference Underlying, the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the Reference Underlyings (or assets constituted thereby) as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such Reference Underlyings may be traded.

The historical performance of a Reference Underlying should not be viewed as an indication of the future performance of such Reference Underlying during the term of any Securities. Accordingly, potential investors should consult their own financial and legal advisers about the risk entailed by an investment in any Securities and the suitability of such Securities in light of their particular circumstances.

Interest Rate Risks

Where Securities bear interest or premium at a fixed rate, subsequent changes in market interest rates may adversely affect the value of the Securities.

Where interest on Securities is subject to floating rates of interest or premium that will change subject to changes in market conditions, such changes could adversely affect the rate of interest or premium received on the Securities.

Redemption Disruption Event

The definition of Redemption Disruption Event is set out in Condition 5(f). Where a Redemption Disruption Event occurs, the Maturity Date or Early Redemption Date (as the case may be) shall be extended. In the event that a Redemption Disruption Event is still operating on the Cut-off Date, the Issuer shall redeem the Securities at the Redemption Amount or Early Redemption Amount (as the case may be). The extension of the Maturity Date or Early Redemption Date and the subsequent redemption of the Securities may have an effect on the timing of valuation and consequently the value of the Securities and Reference Underlyings (or assets constituted thereby) and/or may delay settlement in respect of the Securities. Prospective purchasers should review the Terms and Conditions of the Securities and the applicable Final Terms to ascertain whether and how such provisions apply to the Securities.

Hedging Disruption Event

The definition of Hedging Disruption Event is set out in Condition 5(g). Where a Hedging Disruption Event occurs, the Issuer may decide to suspend or redeem the Securities at the Early Redemption Amount of the Securities. Any such suspension or redemption may (i) have an effect on the timing of valuation and consequently the value of the Securities and Reference Underlyings and/or (ii) delay settlement in respect of the Securities. Prospective purchasers should review the Terms and Conditions of the Securities and the applicable Final Terms to ascertain whether and how such provisions apply to the Securities.

Illegality Event

The definition of Illegality Event is set out in Condition 5(a). Upon the occurrence of an Illegality Event, the Issuer may (but is not obliged to) redeem the Securities at the Early Redemption Amount. Prospective purchasers should review the Terms and Conditions of the Securities and the applicable Final Terms to ascertain whether and how such provisions apply to the Securities

Furthermore, in respect of Securities with an Indian Reference Underlying, the FII Regulations prohibit the issuance of Offshore Derivative Instruments by the sub-accounts from 22nd May, 2008. Any Offshore Derivative Instruments issued directly or indirectly by the sub-accounts prior to 22nd May, 2008 have to be wound up before 31st March, 2009.

Other early redemption events and optional redemption

Certain additional events (including, if applicable, such events set out in the Applicable Schedules) that may lead to an early redemption of the Securities may apply to the Securities. These include, but without limitation, (i) in relation to the Equity Linked Securities, where an Extraordinary Event (as defined in the Applicable Schedule) occurs in relation to the Reference Underlying; or (ii) in relation to Index Linked Securities, where an Index Adjustment Event (as defined in the Applicable Schedule) occurs in relation to the Reference Underlying. The applicable Final Terms may also specify other early redemption events. If so specified in the applicable Final Terms, the Securities may also be redeemed at the option of the Issuer or the Securityholders.

Early redemption in general

If the Securities are redeemed early, any such redemption may have an effect on the timing of valuation and consequently the value of the Securities and Reference Underlyings (or assets constituted thereby) and the timing of settlement of the Securities. The Early Redemption Amount or such other redemption amounts as specified in the Terms and Conditions and the applicable Final Terms may be less, or substantially less, than the nominal amount of the Securities or the Redemption Amount payable at maturity had the Securities not been redeemed early. It may in certain circumstances be zero.

If the Securities are redeemed early, a Securityholder may not be able to reinvest the redemption proceeds at a return as high as the return on the Securities being redeemed and may only be able to do so at a significantly lower rate. Potential purchasers should consider reinvestment risk in light of other investments available at that time.

Prospective purchasers should review the Terms and Conditions of the Securities and the applicable Final Terms to ascertain whether and how the relevant early redemption provisions apply to the Securities.

Calculation Agent adjustments

The Terms and Conditions provide that the Calculation Agent may make adjustments to the terms and conditions of the Securities under certain circumstances. The applicable Final Terms may also specify other circumstances which would allow the Calculation Agent to make certain determinations and adjustments. These include, but without limitation, (i) in relation to the Equity Linked Securities, where an Extraordinary Event or Material Change (as defined in the Applicable Schedule) occurs in relation to the Reference Underlying or Reference Entity, as the case may be; or (ii) in relation to Index Linked Securities, where an Index Adjustment Event (as defined in the Applicable Schedule) occurs in relation to the Reference Underlying. The applicable Final Terms may also specify other circumstances following which the Calculation Agent may make certain determinations or

adjustments. Such determinations and adjustments may have an adverse effect on the value of the Securities.

Other Risks

Foreign Exchange Risk and Exchange Controls

Fluctuations in the exchange rate between any Relevant Currency and the Specified Currency will affect the value of the Securities and the level of the Redemption Amount and the Early Redemption Amount. In addition, exchange rate fluctuations will affect the U.S. dollar equivalent of any cash dividends or other payments denominated in any Relevant Currency distributed in respect of the Reference Underlyings, and, thereby, the level of interest and/or premium with respect to the Securities (if any).

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Securityholders may receive less amount on the Securities than expected, or no amount at all.

Secondary Market

An active public market for trading of the Securities is not expected to develop. The Issuer, the Arranger and/or any of the Dealers may be the only market participants for the Securities. The secondary market for the Securities and liquidity for a Securityholder may therefore be limited. Securityholders may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The Issuer or any of its Affiliates may at any time purchase Securities at any price in the open market or otherwise subject to market conditions and constraints. The more limited the secondary market is for any particular tranche of Securities, the more difficult for a Securityholder to realise the value of the Securities prior to maturity. Illiquidity may have a severely adverse effect on the market value of Securities and there may be a significant spread between the actual trading price of the Securities and the face amount of the Securities. The Securityholder may need to hold the Securities until maturity.

Taxation

Each Securityholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Securities. The Issuer will not pay any additional amounts to Securityholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Securities by the Issuer or the Paying Agents or otherwise required to be paid by the Securityholder. Payments under the Securities such as premium and other redemption amounts may be treated as principal under the applicable tax laws and may be subject to taxation such as capital gains or equivalent tax. Each prospective purchaser of Securities must determine, based on its own independent review and such professional advice as it deems appropriate, its tax position given its own particular circumstances, before deciding whether or not to purchase the Securities. Each Securityholder will also assume and be solely responsible for any change in tax laws which may adversely affect the return on the Securities.

In addition, the Issuer may include charges on the redemption of any PRC Property Share Security or PRC Property Index Security. Adjustments and rebalancing may also be made in certain circumstances in accordance with the Terms and Conditions of the Securities. Please refer to Condition 6 for further details.

Suitability

A prospective purchaser of the Securities should have such knowledge and experience in financial and business matters and expertise in assessing credit risk that it is capable of evaluating the merits, risks and suitability of investing in the Securities.

Credit Quality

None of the Issuer, the Arranger, the Dealers nor any Affiliate makes any representation as to the credit quality of the entities to which the Reference Underlyings relate.

No direct rights in respect of the Reference Underlyings

An investment in a Security entitles the Securityholder to certain cash payments calculated by reference to the Reference Underlyings to which the Security is linked. It is not an investment directly in the Reference Underlyings (or assets constituted thereby) themselves. An investment in a Security does not entitle the Securityholder to the Reference Underlyings (or assets constituted thereby) themselves nor to the beneficial interest in the Reference Underlyings (or assets constituted thereby). A Security will not represent a claim against the entities to which the Reference Underlyings relate and, in the event of any loss, a Securityholder will not have recourse under a Security against such entities or against any other assets of such entities.

Conflicts of Interest

Where the Issuer acts as Calculation Agent or the Calculation Agent is an Affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Securityholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Securities that may influence the amount receivable on the Securities.

The Issuer and its Affiliates are actively engaged in financial services businesses globally and may in the course of such businesses have or develop business relationships with third parties including the entities to which the Reference Underlyings relate (including, without limitation, lending, depositary, risk management, advisory and banking relationships). They may also, amongst other things, be members of and/or have an ownership interest in, an exchange or other venue on which securities are traded, make markets in securities, buy or sell securities on a principal or proprietary basis and/or take direct or indirect interests in securities, including the Reference Underlyings, whether by way of security interest or otherwise. In acting in these capacities the Issuer and/or its Affiliates may at the date hereof or at any time hereafter have or acquire non-public information with respect to the Reference Underlying and/or the entities to which the Reference Underlyings relate that is or may be material in the context of the Securities, which will not be provided to Securityholders. For the avoidance of doubt, there is no obligation on the Issuer, the Arranger, the Dealers or any of their respective Affiliates to disclose to the Securityholders any such information. In addition, the interests of the Issuer and/or its Affiliates may conflict with the interests of the Securityholders and the Issuer reserves the right to take such actions as it considers necessary or appropriate (including without limitation any sale, disposal or enforcement of security of or over the Reference Underlyings) to protect its interests without regard to the consequences for the Securityholders.

Legality of purchase

Neither the Issuer, the Arranger, the Dealers nor any other Affiliate has or assumes any responsibility for the lawfulness of the acquisition of the Securities by a prospective purchaser of the Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory

policy applicable to it.

Independent review and advice

Each prospective purchaser of Securities must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Securities (i) is fully consistent with its (or if it is acquiring the Securities in a fiduciary capacity, the beneficiary's) financial needs, tax requirements, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines, disclosure requirements, and restrictions applicable to it (whether acquiring the Securities as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Securities.

No reliance

Each prospective purchaser of Securities may not rely on and shall not hold any responsibility on the Issuer, the Arranger, the Dealers or any Affiliate in connection with its determination as to as to any of the matters referred to above.

The Redemption Amount, Early Redemption Amount, Rate of Premium, Premium Amount, Rate of Interest and Interest Amount (if any) and market value of the Securities may be adversely affected by movements in the value of the Reference Underlyings or the exchange rate of the Specified Currency and any Relevant Currency. The Redemption Amount or Early Redemption Amount in respect of any of the Securities may be less than its nominal amount and may be zero.

Prospective purchasers of the Securities should note that the Issuer, or an Affiliate of the Issuer, may agree to purchase a substantial proportion of the Securities as principal. In addition purchasers should be aware that under the terms and conditions of the Securities the Issuer or any Affiliate may purchase the Securities at any time. Such Securities may be held, resold, or cancelled. Purchasers should not therefore make any assumption as to the number of Securities in issue at any one time.

DOCUMENTS INCORPORATED BY REFERENCE

For the purposes of providing information in respect of the Issuer only, the following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the CSSF shall be incorporated in, and form part of, this Base Prospectus:

- (1) all of the information in the Credit Suisse Annual Report 2008 (which contains audited consolidated and parent company financial statements for the Issuer and the auditors reports in respect thereof for the years ended 31st December, 2007 and 31st December, 2008) identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Annual Report 2008 is given for information purposes only):

*The page numbers below refer to the
Credit Suisse Annual Report 2008*

The inside cover (i.e., the page immediately following the front cover).....	Not paginated
I. Information on the company	(this is a section heading)
Review of the year's events	pages 14-15
Vision, mission and principles	page 16
Strategy	pages 17-19
Our businesses	pages 20-29
Organizational and regional structure	pages 30-31
Global reach of Credit Suisse	pages 32-33
Corporate citizenship	page 34
Regulation and supervision	pages 35-38
II. Operating and financial review	(this is a section heading)
Operating environment	pages 40-43
Credit Suisse.....	pages 44-49
Core Results	pages 50-56
Key performance indicators	page 57
Private Banking	pages 58-67
Investment Banking	pages 68-74
Asset Management	pages 75-82
Corporate Center	page 83
Results summary	pages 84-85
Assets under management.....	pages 86-88
Critical accounting estimates.....	pages 89-94
III. Treasury, Risk, Balance sheet and Off-balance sheet	(this is a section heading)
Treasury management	pages 96-111
Risk management	pages 112-133
Balance sheet, off-balance sheet and other contractual obligations	pages 134-138
IV. Corporate governance	(this is a section heading)
Overview	pages 140-142
Shareholders	pages 143-146
Board of Directors	pages 147-156
Executive Board	pages 157-161
Compensation.....	pages 162-178
Additional information.....	pages 179-180
V. Consolidated financial statements—Credit Suisse Group	(this is a section heading)

	Report of the Statutory Auditors	pages 183-184
	Consolidated statements of operations.....	page 185
	Consolidated balance sheets.....	pages 186-187
	Consolidated statements of changes in shareholders' equity	pages 188-189
	Comprehensive income.....	page 189
	Consolidated statements of cash flows	pages 190-191
	Notes to the consolidated financial statements.....	pages 192-289
	Controls and procedures.....	pages 290-291
	Report of the Statutory Auditors	page 292
VI.	Parent company financial statements—Credit Suisse Group	(this is a section heading)
	Report of Statutory Auditors	pages 295-296
	Statements of income	page 297
	Balance sheets	page 298
	Notes to the financial statements	pages 299-309
	Proposed appropriation of retained earnings	page 310
	Report of the Capital Increase Auditors.....	pages 311-312
VII.	Consolidated financial statements—Credit Suisse (Bank)	(this is a section heading)
	Report of the Statutory Auditors	pages 315-316
	Consolidated statements of operations.....	page 317
	Consolidated balance sheets.....	pages 318-319
	Consolidated statements of changes in shareholder's equity	page 320
	Comprehensive income.....	page 321
	Consolidated statements of cash flows	pages 322-323
	Notes to the consolidated financial statements.....	pages 324-377
	Controls and procedures.....	pages 378-379
	Report of the Statutory Auditors	page 380
VIII.	Parent company financial statements—Credit Suisse (Bank)	(this is a section heading)
	Report of the Statutory Auditors	pages 383-384
	Financial review	page 385
	Statements of income.....	page 386
	Balance sheets	page 387
	Off-balance sheet business	page 388
	Notes to the financial statements	pages 389-395
	Proposed appropriation of retained earnings	page 396
IX.	Additional information.....	(this is a section heading)
	Statistical information.....	pages 398-415
	Legal proceedings.....	pages 416-420
	Risk factors.....	pages 421-428
	Other information	pages 429-434
	Foreign currency translation rates	page 434
	List of abbreviations	pages 438-439

Notwithstanding the above, the following information contained in the Credit Suisse Annual Report 2008 is **specifically not incorporated by reference**:

	Dear shareholders, clients and colleagues	pages 2-5
X.	Investor information	pages 436-437

- (2) the 2009 First Quarter Financial Report of the Issuer on Form 6-K dated 24th April, 2009 (the "**First Quarter Form 6-K dated 24th April, 2009**") and the 2009 First Quarter Financial Report of the Issuer on Form 6-K dated 7th May, 2009 (the "**First Quarter Form 6-K dated 7th May, 2009**"), including the Credit Suisse Financial Report 1Q09 exhibited thereto.

All of the information in the First Quarter Form 6-K dated 24th April, 2009 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the First Quarter Form 6-K dated 24th April, 2009 is given for information purposes only):

	<i>The page numbers below refer to the First Quarter Form 6-K dated 24th April, 2009</i>
Introduction	page 2
Forward-Looking Statements.....	page 2
Selected Financial Data	pages 3-4
Operating and Financial Review and Prospects.....	pages 4-5
Treasury and Risk Management	page 6

All of the information in the Credit Suisse Financial Report 1Q09 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Financial Report 1Q09 is given for information purposes only):

	<i>The page numbers below refer to the Credit Suisse Financial Report 1Q09 exhibited to the First Quarter Form 6-K dated 7th May, 2009</i>
The inside cover (i.e., the page immediately following the front cover)	Not paginated
I. Credit Suisse Results.....	(this is a section heading)
Operating environment.....	pages 6-9
Credit Suisse.....	pages 10-11
Core Results.....	pages 12-16
Key performance indicators.....	page 17
II. Results by division.....	(this is a section heading)
Private Banking	pages 20-30
Wealth Management	pages 22-27
Corporate & Retail Banking.....	pages 28-30
Investment Banking	page 31-37
Asset Management.....	pages 38-44
III. Overview of results and assets under management.....	(this is a section heading)
Results.....	pages 46-47
Assets under management.....	pages 48-50
IV. Treasury and Risk management.....	(this is a section heading)
Treasury management	pages 52-57
Risk management.....	pages 58-64
V. Condensed consolidated financial statements—unaudited.....	(this is a section heading)
Report of the Independent Registered Public Accounting Firm.....	page 67
Condensed consolidated financial statements—unaudited.....	pages 69-75

Notes to the condensed consolidated financial statements—unaudited pages 76-125

Notwithstanding the above, the following information contained in the Credit Suisse Financial Report 1Q09 is **specifically not incorporated by reference**:

Dear shareholders..... pages 1-2
VI. Investor information..... pages 128-131

- (3) the 2009 Second Quarter Financial Release of the Issuer on Form 6-K of Credit Suisse dated 24th July, 2009 (the "**Second Quarter Form 6-K Dated 24th July, 2009**") and the 2009 Second Quarter Financial Report of the Issuer on Form 6-K dated 6th August, 2009 (the "**Second Quarter Form 6-K Dated 6th August, 2009**"), including the Credit Suisse Financial Report 2Q09 exhibited thereto

All of the information in the Second Quarter Form 6-K Dated 24th July, 2009 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Second Quarter Form 6-K Dated 24th July, 2009 is given for information purposes only):

The page numbers below refer to the Second Quarter Form 6-K dated 24th July, 2009

Introduction page 2
Forward-Looking Statements..... page 2
Selected Financial Data pages 3-4
Operating and Financial Review and Prospects pages 4-5
Treasury and Risk Management page 5

All of the information in the Credit Suisse Financial Report 2Q09 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Financial Report 2Q09 is given for information purposes only):

The page numbers below refer to the Credit Suisse Financial Report 2Q09 exhibited to the Second Quarter Form 6-K Dated 6th August, 2009

Financial highlights page 1
Index page 4
Credit Suisse at a glance page 5
Section I – Credit Suisse results pages 6 to 18
Section II – Results by division..... pages 20 to 46
Section III – Overview of results and assets under management pages 48 to 52
Section IV - Treasury and risk management pages 54 to 66
Section V – Condensed consolidated financial statements – unaudited..... pages 69 to 138

Notwithstanding the above, the following information contained in the Credit Suisse Financial Report 2Q09 is **specifically not incorporated by reference**:

Dear shareholders..... pages 2-3

VI. Investor information..... pages 140-143

- (4) the 2009 Six Months Financial Statements of the Issuer on Form 6-K of Credit Suisse dated 7th August, 2009 (the "**Six Months Financials Form 6-K Dated 7th August, 2009**"), including the Credit Suisse Financial Statements 6M09 exhibited thereto

All of the information in the Six Months Financials Form 6-K Dated 7th August, 2009 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Six Months Financials Form 6-K Dated 7th August, 2009 is given for information purposes only):

The page numbers below refer to the Six Months Financials Form 6-K Dated 7th August, 2009

Introduction.....	page 2
Forward-looking statements.....	page 2
Key Information – Condensed consolidated financial statements	page 3
Operating and financial review and prospects	page 4

All of the information in the Credit Suisse Financial Statements 6M09 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Financial Statements 6M09 is given for information purposes only):

The page numbers below refer to the Credit Suisse Financial Statements 6M09 exhibited to the Six Months Financials Form 6-K Dated 7th August, 2009

Ratio of earnings to fixed charges.....	page 7
Letter regarding unaudited financial information from the Independent Registered Public Accounting Firm	page 8
Report of Independent Registered Public Accounting Firm..	page 11
Condensed consolidated financial statements (unaudited), including:	pages 13 to 19
Consolidated statements of operations (unaudited)	page 13
Consolidated balance sheets (unaudited)	pages 14 to 15
Consolidated statements of changes in equity (unaudited)	pages 16 to 17
Comprehensive income (unaudited)	page 17
Consolidated statements of cash flows (unaudited).....	pages 18 to 19
Supplemental cash flow information (unaudited).....	page 19
Notes to the condensed consolidated financial statements (unaudited), including summary of significant accounting policies.....	pages 20 to 54

- (5) the 2009 Third Quarter Financial Release of the Issuer on Form 6-K of Credit Suisse dated 23rd October, 2009 (the "**Third Quarter Form 6-K Dated 23rd October, 2009**") and the 2009 Third Quarter Financial Report of the Issuer on Form 6-K dated 5th November, 2009

(the "**Third Quarter Form 6-K Dated 5th November, 2009**"), including the Credit Suisse Financial Report 3Q09 exhibited thereto

All of the information in the Third Quarter Form 6-K Dated 23rd October, 2009 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Third Quarter Form 6-K Dated 23rd October, 2009 is given for information purposes only):

The page numbers below refer to the Third Quarter Form 6-K Dated 23rd October, 2009

Introduction	page 2
Forward-Looking Statements.....	page 2
Selected Financial Data	pages 3-4
Operating and Financial Review and Prospects.....	pages 4-5
Legal proceedings	page 6
Treasury and Risk Management	page 7

All of the information in the Credit Suisse Financial Report 3Q09 identified in the following cross-reference list is incorporated in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Financial Report 3Q09 is given for information purposes only):

The page numbers below refer to the Credit Suisse Financial Report 3Q09 exhibited to the Third Quarter Form 6-K Dated 5th November, 2009

Financial highlights	page 1
Index	page 4
Credit Suisse at a glance	page 5
Section I – Credit Suisse results.....	pages 6 to 18
Section II – Results by division	pages 20 to 42
Section III – Overview of results and assets under management.....	pages 44 to 48
Section IV - Treasury and Risk management	pages 50 to 62
Section V – Condensed consolidated financial statements – unaudited	pages 65 to 132

Notwithstanding the above, the following information contained in the Credit Suisse Financial Report 3Q09 is **specifically not incorporated by reference**:

Dear shareholders.....	pages 2-3
VI. Investor information.....	pages 134-136

- (6) the media release of Credit Suisse Group AG dated 10th December, 2009 on Form 6-K of the Issuer and Credit Suisse Group AG dated 10th December, 2009 (the "**Media Release Dated 10th December, 2009**")

All information in the Media Release Dated 10th December, 2009 is incorporated in, and forms part of, this Base Prospectus.

- (7) the media release of Credit Suisse Group AG dated 16th December, 2009 on Form 6-K of the Issuer and Credit Suisse Group AG dated 16th December, 2009 (the "**Media Release Dated 16th December, 2009**")

All information in the Media Release Dated 16th December, 2009 is incorporated in, and forms part of, this Base Prospectus.

- (8) the articles of association of the Issuer is incorporated herein by reference and are available on the website at www.credit-suisse.com (these are given for information purposes only).

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained, free of charge, from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being and are also available on the website of the Luxembourg Stock Exchange (www.bourse.lu). A copy of the documents filed by the Issuer with the SEC may also be obtained either on the SEC's website at www.sec.gov at the SEC's public reference room or at http://www.credit-suisse.com/investors/en/reports/annual_reporting.html.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Securities, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Securities.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Securities issued under the Programme.

[Date]

CREDIT SUISSE AG
(acting through its Nassau Branch)

**Issue of [Aggregate Amount of Tranche] [Title of Securities]
Under the Programme for the issue of
Underlying-linked Securities**

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Securities. Accordingly any person making or intending to make an offer of the Securities may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 44 of Part A below, provided such person is one of the persons mentioned in Paragraph 44 of Part A below and that such offer is made during the Offer Period specified for such purpose therein. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.]¹

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Securities. Accordingly, any person making or intending to make an offer in that Relevant Member State of the Securities may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.]²

¹ Include this legend where a non-exempt offer of Securities is anticipated. See below for a definition of "exempt offer".

² Include this legend where only an exempt offer of Securities is anticipated. "Exempt offers" include offer of securities in a EU member state that (a) is addressed solely to qualified investors; (b) is addressed to fewer than 100 natural or legal persons per EU member state (other than qualified investors); (c) is addressed to investors who acquire securities for a total consideration of at least EUR 50,000 per investor, for each separate offer; (d) has a denomination per unit of at least EUR50,000; and/or (e) has a total consideration of less than EUR 100,000, which limit shall be calculated over a period. Use this legend if no offer of Securities will be made in the EU (or if there is any offer in the EU, such offer falls within the exemptions set out in the foregoing).

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated [●] [and the Supplement to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as supplemented]. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the Supplement to the Base Prospectus] is [are] available for viewing at the registered office of the Issuer, the specified offices of the Paying Agents, and copies may be obtained from Credit Suisse (Hong Kong) Limited, 45/F, Two Exchange Square, Central, Hong Kong. In addition, this Final Terms, the Base Prospectus [and the Supplement to the Base Prospectus] are published on the website of the Luxembourg Stock Exchange at www.bourse.lu.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [*original date*]. This document constitutes the Final Terms of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") and must be read in conjunction with the Base Prospectus dated [●] which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [*original date*] and are attached hereto. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [●] and [*original date*]. [Copies of such Base Prospectuses are available for viewing at the registered office of the Issuer, the specified offices of the Paying Agents, and copies may be obtained from Credit Suisse (Hong Kong) Limited, 45/F, Two Exchange Square, Central, Hong Kong. In addition, this Final Terms, the Base Prospectus [and the Supplement to the Base Prospectus] are published on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

Prospective purchasers should ensure that they understand the nature of the Securities and carefully study the risk factors set out in the Base Prospectus and, where necessary, seek professional advice, before they invest in the Securities.

[The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except to qualified institutional buyers in reliance on, and in compliance with, Rule 144A, in accordance with Regulation S under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act. Prospective purchasers are hereby notified that sellers of the Securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.]³

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

³

Insert if the Securities are issued pursuant to Rule 144A.

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | |
|-----|----------------------------|---|
| 1. | Issuer: | Credit Suisse AG, acting through its Nassau Branch |
| 2. | (i) Series Number: | [] |
| | (ii) Tranche Number: | [] |
| 3. | (i) Specified Currency: | [] |
| | (ii) Relevant Currency: | [] |
| 4. | Aggregate Nominal Amount: | |
| | - Tranche: | [] |
| | - Series: | [] |
| 5. | Issue Price: | []% of the Aggregate Nominal Amount
[plus accrued interest from <i>[insert date]</i> (<i>in the case of fungible issues only, if applicable</i>)] |
| 6. | Specified Denomination(s): | [] |
| 7. | (i) Issue Date: | [] |
| | (ii) Launch Date: | [] |
| 8. | Maturity Date: | [], subject to early redemption of the Securities.] |
| 9. | Interest Basis: | [Participation Securities]
[Fixed Rate]
[Floating Rate]
[Other]
[Not Applicable] |
| 10. | Costs: | [As specified in Condition 6] [] |

PROVISIONS RELATING TO INTEREST AND PREMIUM

- | | | |
|-----|--|---|
| 11. | Participation Securities Provisions | [Applicable/Not Applicable]

<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i> |
| | (i) Provision/Formula for determining the Interest Amount: | [Determined in accordance with Condition 3(i).] / |

- []
- (ii) Interest Payment Dates: []
12. **Fixed Rate Securities Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [] per cent. per annum
- (ii) Interest Commencement Date: []
- (Specify if different from the Issue Date)*
- (iii) Interest Payment Date(s): [[] in each year/[]]
- (iv) Interest Amount [(s)]: [] per [Specified Denomination/[] in nominal amount]
- (v) Broken Amount: *(Insert particulars of any initial or final broken interest amounts which do not correspond with the Interest Amount(s) and the Interest Payment Date(s) to which they relate)*
- (vi) Day Count Fraction: [Actual/Actual] / [Actual/Actual – ISDA] / [Actual/365 (fixed)] / [Actual/360] / [30/360] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [Actual/Actual – ICMA]
- (vii) Determination Date(s): [Not Applicable]
- [[] in each year *(insert regular interest payment dates, ignoring the maturity date in the case of a long or short last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual - ICMA)*]
- (viii) Other terms relating to the method of calculating interest for Fixed Rate Securities: [Not Applicable]/*[give details]*
13. **Floating Rate Securities Provisions** [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s)/ Specified Interest Payment Dates: []
- (ii) Interest Commencement Date: []

(Specify if different from the Issue Date)

- (iii) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
 - ISDA Definitions: (if different from those set out in the Conditions) []
- (iv) Margin(s): [+/-] [] per cent. per annum
- (v) Minimum Rate of Interest: [] per cent. per annum
- (vi) Maximum Rate of Interest: [] per cent. per annum
- (vii) Day Count Fraction: [Actual/Actual] / [Actual/Actual – ISDA] / [Actual/365 (fixed)] / [Actual/360] / [30/360] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [Actual/Actual – ICMA]
- (viii) Determination Date(s): [Not Applicable]
- [[] in each year (*insert regular interest payment dates, ignoring the maturity date in the case of a long or short last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual - ICMA*)]
- (ix) Rate Multiplier: []
- (x) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Securities, if different from those set out in the Conditions: []
14. **Premium Provisions** [Applicable/Not Applicable]
- (if not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Rate(s) of Premium: [] per cent. per annum
- (ii) Day Count Fraction: [Actual/Actual] / [Actual/Actual – ISDA] /

[Actual/365 (fixed)] / [Actual/360] / [30/360] / [360/360] / [Bond Basis] / [30E/360] / [Eurobond Basis] / [30E/360 (ISDA)] / [Actual/Actual – ICMA]

(iii) Determination Date(s): [Not Applicable]

[[] in each year (*insert regular premium payment dates, ignoring the maturity date in the case of a long or short last premium. N.B. only relevant where Day Count Fraction is Actual/Actual - ICMA*)]

(iv) Premium Commencement Date: []

(Specify if different from the Issue Date)

(v) Premium Amount(s): [[] per [Specified Denomination]

[[] of the Nominal Amount]

(vi) Premium Payment Date(s): [[] in each year]

[Each Interest Payment Date]

[]

PROVISIONS RELATING TO REDEMPTION

15. (i) Delivery of Further Securities in lieu of Redemption Amount at the option of the Issuer: [Applicable – *insert details*] / [Not Applicable]

(ii) Redemption Amount and method, if any, of calculation of such amount: [Participation Securities]
[Outperformance Securities]
[Specify others]

[If the Redemption Amount is dependent on whether the Issuer or its Hedge Provider exercises the Reference Underlying, provide further details of the calculation and any variation of this amount]

(iii) Outperformance Factor (*for Outperformance Securities only*): [] [Not Applicable]

16. Determination City: []

17. Valuation Date: [, subject to early redemption of the Securities] []

18. Cut-off Date: [As specified in the Conditions] []
19. (i) Early Redemption at the option of the Securityholder: [Applicable] [Not Applicable]
- (ii) Delivery of Further Securities in lieu of Early Redemption Amount: [Applicable – *insert details*] [Not Applicable]
20. (i) Early Redemption at the option of the Issuer: [Applicable] [Not Applicable]
- (ii) Delivery of Further Securities in lieu of Early Redemption Amount: [Applicable – *insert details*] [Not Applicable]
21. Early Redemption Amount and method, if any, of calculation of such amount (also specify if other than as set out in the Conditions): [Participation Securities]
[Outperformance Securities]
[Specify others]
- [If the Early Redemption Amount is dependent on whether the Issuer or its Hedge Provider exercises the Reference Underlying, provide further details of the calculation and any variation of this amount]*
22. Early Redemption Date: [As specified in Condition 5] []
23. Reference Underlying: [] [*Specify whether the Reference Underlying is a "Share" or an "Index", if applicable. If the Reference Underlying is an index, specify whether it is a "Multi-Exchange Index".*]
- PROVISIONS RELATING TO EQUITY LINKED SECURITIES** [Applicable/Not Applicable]
- [If the Reference Underlying is a "Share" or a basket of "Shares", the Securities are Equity Linked Securities and these provisions relating to Equity Linked Securities should be completed.]*
- (if not applicable, delete the remaining subparagraphs of this paragraph)*
24. Number of Reference Underlyings: []
25. Information relating to the Reference Underlyings: []
- Reference Entity: []
- Address of Reference Entity: []

- Activities of Reference Entity: []
Source: []
- Security Code of the Reference Underlyings: [ISIN] []
- Rights attaching to Reference Underlyings: []
- Exchange: []
- Related Exchange: [] / [All Exchanges]
- Highest and lowest traded prices for the past 3 years:
 [year] [] High ([]) Low ([])
 [year] [] []
 [year] [] []
Source: []
- Highest and lowest traded prices for the past 6 months:
 [Month] [Year] [] High ([]) Low ([])
 [Month] [Year] [] []
 [Month] [Year] [] []
 [Month] [Year] [] []
 [Month] [Year] [] []
 [Month] [Year] [] []
Source: []
- Closing price of Reference Underlying: [] as at []
Source: []
- Dividends paid: []
Source: []
- Financial Information [Please see Schedule A] []
- General Information [Copies of the most recent audited consolidated financial statements, interim reports and annual reports for the last 3 years (and any such future

statements and reports, if published) of the Reference Entity will, so long as any of the Securities remains outstanding, be made available in English during usual business hours on any day (except Saturdays, Sundays and legal holidays) at the specified office of the Paying Agent in Luxembourg.

All information regarding the Reference Underlyings and the Reference Entity consists of extracts from or summaries of information contained in financial and other information released publicly. The Issuer confirms that the information has been correctly extracted from those publicly available sources. The Issuer accepts no responsibility for inaccuracy in those sources.] *[other details]*

26. Relevant Underlying Jurisdiction: []
27. Valuation Period: [As specified in the Conditions] []
28. Other terms or special conditions: [Applicable - *specify*] [Not Applicable]

PROVISIONS RELATING TO INDEX LINKED SECURITIES [Applicable/Not Applicable]

[If the Reference Underlying is an "Index" or a basket of "Indices", the Securities are Index Linked Securities and the provisions relating to Index Linked Securities below should be completed.]

(if not applicable, delete the remaining subparagraphs of this paragraph)

29. Information relating to the Reference Underlyings: []
- Code of the Reference Underlyings: []
- Related Exchange: [] / [All Exchanges]
- Description of the Reference Underlying: *[Include description of the Reference Underlying if it is composed by the Issuer. If the Reference Underlying is not composed by the Issuer, where information about the Reference Underlying can be obtained.]*
- Highest and lowest closing level for the past 3 years: High ([]) Low ([])
- [year] []
- [year] []

- [year] []
- Source: []
- Highest and lowest closing level for the past 6 months: High ([]) Low ([])
- [Month] [Year] []
- [Month] [Year] []
- [Month] [Year] []
- [Month] [Year] []
- [Month] [Year] []
- [Month] [Year] []
- Source: []
- Closing level of Reference Underlying: [] as at []
- Source: [Bloomberg] []
- General Information: [All information regarding the Reference Underlyings consists of extracts from or summaries of information contained in financial and other information released publicly. The Issuer confirms that the information has been correctly extracted from those publicly available sources. The Issuer accepts no responsibility for inaccuracy in those sources.] [other details]
30. Index Currency Amount []
31. Valuation Period: [As specified in the Conditions] []
32. Relevant Underlying Jurisdiction: []
33. Other terms or special conditions: [Applicable - *specify*] [Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

34. Form of Securities: Global Security ([] nominal amount) registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg], exchangeable to Securities in definitive form in limited circumstances.
35. Additional Financial Centre(s) or [Applicable - *specify*] [Not Applicable]

other special provisions relating to
Payment Day:

36. Calculation Agent: [Credit Suisse (Hong Kong) Limited/Credit Suisse Securities (Europe) Limited]
[]
37. Principal Paying Agent: [Credit Suisse (Hong Kong) Limited/Credit Suisse Securities (Europe) Limited]
[]
38. Registrar and Transfer Agent: [Credit Suisse (Hong Kong) Limited/Credit Suisse Securities (Europe) Limited]
[]

DISTRIBUTION

39. If syndicated, names and addresses of managers and underwriting commitments: [Not Applicable/give names, and addresses and underwriting commitments]
- (i) Date of subscription agreement (if any): [Not Applicable][Applicable – specify]
- (ii) Stabilising manager (if any): [Not Applicable/give name and address]
40. If non-syndicated, name and address of relevant Dealer (if any): [Credit Suisse (Hong Kong) Limited]
[Credit Suisse Securities (Europe) Limited]
[Name and address of other dealer]
[Not applicable]
41. Total commission and concession: [[] per cent. of the Aggregate Nominal Amount][Not Applicable]
42. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA not applicable
43. Additional selling restrictions: [Applicable - specify] [Not Applicable]
44. Non-exempt Offer: [Not Applicable] [An offer of the Securities may be made by the Managers [and [specify names of other financial intermediaries making non-exempt offers to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. ‘other parties

*authorised by the Managers'' or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known]] (together with the Managers, the "**Financial Intermediaries**") other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s)—which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)] ("**Public Offer Jurisdictions**") during the period from [specify date] until [specify date or a formula such as "the Issue Date" or "the date which falls [] Business Days thereafter"] ("**Offer Period**"). See further Paragraph [9] of Part B below.*

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may be made into jurisdictions in which the Base Prospectus (and any supplement) has been notified/passported.)

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Securities described herein pursuant to the Issuer's Programme for the issue of Underlying-linked Securities.]

RESPONSIBILITY

[The Issuer accepts responsibility for the information contained in these Final Terms. The information included under "Information relating to the Reference Underlyings" in these Final Terms consists of extracts from or summaries of information that is publicly available from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____
Duly authorised

[SCHEDULE A

Financial Information

(Consolidated)	<u>Year Ended</u> [year]	<u>Year Ended</u> [year]	<u>Year Ended</u> [year]
----------------	-----------------------------	-----------------------------	-----------------------------

Total Assets

Total Liabilities

Shareholders' Equity

Operating Income

Net Income (Loss)

[Other]

Source: []⁴

4

Insert if the Securities are Equity Linked Securities.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Securities to be admitted to trading on [] with effect from [].] [Not Applicable]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading)

2. RATINGS

Ratings: The Securities to be issued have been rated:

[S&P: []]
 [Moody's: []]
 [[Other]: []]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Securities of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[[Save for any fees payable to the Arranger/Dealers/manager[s]], so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer. - *Amend as appropriate if there are other interests*]

[[When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]]

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer: []]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

(ii) Estimated net proceeds: []

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

(iii) Estimated total expenses: []. *[Include breakdown of expenses]*

(If the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

5. [HISTORICAL INTEREST RATES] *(to include for Securities with floating rate interest only)*

[Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

6. PERFORMANCE OF THE REFERENCE UNDERLYINGS, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE UNDERLYINGS *(to include for all Underlying-linked Securities)*

[To include details of where past and future performance and volatility of the Reference Underlyings can be obtained.]

[To include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Where the Reference Underlying is an interest rate, need to include a description of the interest rate.]

[Where the Reference Underlying does not fall within the categories specified above, to include equivalent information.]

[Where the Reference Underlying is a basket, to include disclosure of the relevant weightings of each underlying in the basket.]

7. PERFORMANCE OF RATE[S] OF EXCHANGE *(to include for Securities with multiple currencies)*

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factor" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

(N.B. This paragraph only applies if the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

8. OPERATIONAL INFORMATION

ISIN Code: []

Common Code: []

CUSIP: []

Any clearing system(s) other than Euroclear or Clearstream, Luxembourg and the relevant identification number(s): [Applicable - *specify*] [Not Applicable]

Delivery: [Delivery against payment]/[Free of payment]

Names and addresses of additional Paying Agent(s) (if any): [None] [*specify*]

9. [TERMS AND CONDITIONS OF THE OFFER]⁵

Offer Price: [Issue Price] [*specify*]

Conditions to which the offer is subject: [Not applicable/*give details*]

Time period, including any possible amendments, during which the offer will be open: [Not applicable/*give details*]

Description of the application process: [Not applicable/*give details*]

Details of the minimum and/or maximum amount of application: [Not applicable/*give details*]

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not applicable/*give details*]⁶

⁵

The information set out in this section is required under the Prospective Directive Regulations. This section applies if the Securities are to be admitted to trading on the Luxembourg Stock Exchange. It would also apply if the Securities are to be admitted to trading on any other regulated market in the EU; or (b) if the Securities are subject to a non-exempt offer.

Details of the method and time limits for paying up and delivering the Securities:	[Not applicable/ <i>give details</i>]
Manner in and date on which results of the offer are to be made public:	[Not applicable/ <i>give details</i>]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable/ <i>give details</i>] ⁶
Categories of potential investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries:	[Not applicable/ <i>give details</i>]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable/ <i>give details</i>]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not applicable/ <i>give details</i>]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	[None/ <i>give details</i>]

6

This information is not required if the Securities are derivative securities. All Underlying-linked Securities should generally be derivative securities.

TERMS AND CONDITIONS OF THE SECURITIES

The following are the Terms and Conditions of the Securities which will be incorporated by reference into each Global Security (as defined below) and each definitive Security in the latter case only if permitted by the Luxembourg Stock Exchange (if the Securities are to be listed on the Official List of the Luxembourg Stock Exchange) but, if not so permitted, such definitive Security will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Securities may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Securities. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Security and definitive Security.

This Security is one of a Series (as defined below) of Securities issued by Credit Suisse AG, acting through its Nassau Branch (the "**Issuer**").

References herein to the "**Securities**" shall be references to the Securities of this Series and shall mean:

- (i) in relation to any Securities represented by a global Security (a "**Global Security**"), units of the lowest Specified Denomination in the Specified Currency (as defined in Condition 5);
- (ii) any Global Security; and
- (iii) definitive Securities issued in exchange for a Global Security.

The Securities have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 17th December, 2009 and made between (1) the Issuer; (2) Credit Suisse (Hong Kong) Limited and Credit Suisse Securities (Europe) Limited each as principal paying agent (each a "**Principal Paying Agent**", which expression shall include any successor principal paying agent); (3) Credit Suisse (Hong Kong) Limited and Credit Suisse Securities (Europe) Limited each as registrar (each a "**Registrar**", which expression shall include any successor registrar); (4) Credit Suisse (Hong Kong) Limited and Credit Suisse Securities (Europe) Limited each as calculation agent (each a "**Calculation Agent**", which expression shall include any successor calculation agent); (5) Dexia Banque Internationale à Luxembourg, société anonyme as Luxembourg paying agent (the "**Luxembourg Paying Agent**", which shall include any successor as Luxembourg paying agent and, together with the Principal Paying Agents, the "**Paying Agents**", which expression shall include any additional or successor paying agent); and (6) Dexia Banque Internationale à Luxembourg, société anonyme as Luxembourg transfer agent (the "**Luxembourg Transfer Agent**", which expression shall include any successor Luxembourg transfer agent and, together with the Registrars, the "**Transfer Agents**", which expression shall include any additional or successor transfer agent).

The Final Terms for this Security (or the relevant provisions thereof) is attached to or endorsed on this Security and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Security. References to the "**applicable Final Terms**" are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Security.

Any reference to "**Securityholders**" or "**holders**" in relation to any Securities shall mean the persons in whose name the Securities are registered.

Any reference to "**Principal Paying Agent**", "**Registrar**" or "**Transfer Agent**" in relation to any Securities shall mean the Principal Paying Agent, Registrar or Transfer Agent, as the case may be, as specified in the applicable Final Terms.

As used herein, "**Tranche**" means Securities which are identical in all respects and "**Series**" means a Tranche of Securities together with any further Tranche or Tranches of Securities which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects except for their respective Issue Dates and/or Issue Prices.

The Securityholders are entitled to the benefit of the Deed of Covenant (the "**Deed of Covenant**") dated 17th December, 2009 and made by the Issuer. The original of the Deed of Covenant is held by the common depository for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**").

Copies of the Agency Agreement and the Deed of Covenant shall be made available for inspection upon reasonable notice having been given during normal business hours at the specified office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (and, together with the Calculation Agents, the "**Agents**"). Copies of the applicable Final Terms are obtainable during normal business hours at the specified office of each of the Agents save that, if this Security is an unlisted Security of any Series, the applicable Final Terms will only be obtainable by a Securityholder holding one or more unlisted Securities of that Series and such Securityholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Securities and identity. The Securityholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

An Affiliate (as defined below) of the Issuer may acquire the Reference Underlyings (or assets constituted thereby) or other securities or enter into other arrangements with a counterparty in respect of the Reference Underlyings (such Affiliate or counterparty, the "**Hedge Provider**") in order to hedge the Issuer's obligations in respect of the Securities. For the purposes of these Terms and Conditions, "**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose "**control**" of any entity or person means ownership of a majority of the voting power of the entity or person or power to direct or cause the direction of the management and policies of a person, whether by contract or otherwise.

1. **FORM, DENOMINATION, TITLE AND TRANSFER**

(a) *Form and Denomination*

The Securities are in registered form and, in the case of definitive Securities, serially numbered, in the Specified Currency and the Specified Denomination(s). Securities of one Specified Denomination may not be exchanged for Securities of another Specified Denomination. A Security certificate (each a "**Certificate**") will be issued to each

Securityholder in respect of its registered holding of Securities. Each Security and each Certificate will have an identifying number which will be recorded on the relevant Certificate and in the register (the "**Register**") of Securityholders which the Issuer will procure to be kept by the Registrar.

(b) *Title*

Title to the Securities will pass upon registration of transfers in the Register. The Issuer and any Agent will (except as otherwise required by law) deem and treat the registered holder of any Security as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes.

(c) *Transfers*

Subject to the Agency Agreement, a Security may be transferred by delivering the Certificate issued in respect of that Security, with the form of transfer on the back duly completed and signed, to the specified office of the Registrar or any of the other Transfer Agents. Registration of transfers of Securities will be effected without charge by or on behalf of the Issuer or any of the Transfer Agents, but upon payment (or the giving of such indemnity as the Issuer or any of the Transfer Agents may reasonably require) in respect of any tax, stamp duty or other governmental charges which may be imposed in relation to it. No Securityholder may require the transfer of a Security to be registered during the period of 15 days ending on the due date for any payment of any Redemption Amount, Early Redemption Amount, interest or premium in respect of that Security. All transfers of Securities and entries on the Register will be made subject to the detailed regulations concerning transfer of Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer in consultation with the Registrar.

Rule 144A Global Securities may only be transferred to (a) QIBs; (b) non-U.S. persons; or (c) pursuant to another exemption from the registration requirements of the Securities Act.

2. STATUS OF THE SECURITIES

The Securities constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and rank *pari passu* among themselves and equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

3. INTEREST

(a) *Interest on Participation Securities*

The Issuer shall pay interest in respect of each Participation Security on its outstanding nominal amount on each Interest Payment Date in an amount equal to the Interest Amount.

Any interest paid to the Securityholder shall constitute consideration paid for the use of the principal and for the assumption of the risk that the Securityholder may not receive its original investment or that its return may be variable.

(b) *Interest on Fixed Rate Securities*

Each Fixed Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date either (i) at the rate per annum (expressed as a percentage) equal to the

Rate of Interest or (ii) in an Interest Amount, such interest being payable in arrear on each Interest Payment Date. If so specified in the applicable Final Terms, the Rate of Interest or Interest Amount may be different for different Interest Periods.

(c) *Interest on Floating Rate Securities*

(i) Interest Payment Dates

Each Floating Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on either:

- (x) the Interest Payment Date specified in the applicable Final Terms (the "**Specified Interest Payment Date**"); or
- (y) if no Interest Payment Date is specified in the applicable Final Terms, each date (each such date an "**Interest Payment Date**") which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. Such interest will be payable in respect of each Interest Period.

(ii) Rate of Interest for Floating Rate Securities

The Rate of Interest in respect of Floating Rate Securities for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (ii), "**ISDA Rate**" means, in respect of an Interest Period, a rate equal to the Floating Rate that would be determined by the relevant Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) "**Floating Rate Option**" and each election in respect thereof has the meaning given to it in the ISDA Definitions, save that the election of the relevant Floating Rate Option is specified in the applicable Final Terms; and
- (y) the Designated Maturity is a period specified in the applicable Final Terms; and
- (z) the relevant Reset Date is the first day of that Interest Period.

For the purposes of this sub-paragraph (ii), "**Floating Rate**", "**relevant Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions, save that the relevant election is specified in the applicable Final Terms and the Calculation Agent as specified in the applicable Final Terms shall be deemed to be specified as the relevant Calculation Agent for the purpose of the Swap Transaction.

(iii) Margin or Rate Multiplier

If any Margin or Rate Multiplier is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest

Periods, in the case of (y), calculated in accordance with Condition 3(c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next sub-paragraph.

(iv) *Maximum or Minimum Rate of Interest*

If any Maximum or Minimum Rate of Interest is specified in the applicable Final Terms, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.

(d) *Premium*

If so specified in the applicable Final Terms, the Issuer shall pay a premium in respect of the derivative element of the Securities. Such premium shall be payable in respect of each Security on its outstanding nominal amount from the Premium Commencement Date either (i) at the rate per annum (expressed as a percentage) equal to the Rate of Premium or (ii) in an amount equal to a fixed Premium Amount, such premium being payable in arrear on each Premium Payment Date. If so specified in the applicable Final Terms, the Rate of Premium or Premium Amount may be different for different Premium Periods.

(e) *Accrual of Interest and Premium*

Each Security (or in the case of the redemption of part only of a Security, that part only of such Security) will cease to bear interest and premium (if any) from the due date for redemption unless payment is improperly withheld or refused, in which event interest and premium shall continue to accrue (both before and after judgment) in the manner provided in this Condition 3 until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Security have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Security has been received by any of the Paying Agents or the Registrar, as the case may be, and notice to that effect has been given to the Securityholders.

(f) *Rounding*

For the purposes of any calculations (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest transferable amount of such currency.

(g) *Calculations*

In respect of Conditions 3(b), 3(c) and 3(d), the amount of interest or premium payable in respect of any Security for any period shall be calculated by multiplying the product of the Rate of Interest or Rate of Premium and the outstanding nominal amount of such Security by the Day Count Fraction, unless an Interest Amount or Premium Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest or premium payable in respect of such Security for such period shall equal such Interest Amount or Premium Amount (or be calculated in accordance with such formula).

(h) *Determination and Publication of Rates of Interest/Premium and Interest/Premium Amounts*

On such date as the Calculation Agent may be required under this Condition to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate, calculate such amounts, obtain such quotation or make such determination or calculation, as the case may be, and cause the relevant Rate of Interest, Interest Amount, Rate of Premium and/or Premium Amount, as the case may be, for each Interest Period and Premium Period and the relevant Interest Payment Date and Premium Payment Date to be notified to the Issuer (if the Issuer is not the Calculation Agent), each of the Paying Agents and the Luxembourg Stock Exchange (for so long as the Securities are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) and notice thereof to be published in accordance with Condition 10 as soon as reasonably practicable after their determination but in no event later than the seventh day thereafter.

Details of the relevant Rate of Interest, Interest Amount, Rate of Premium and/or Premium Amount, as the case may be, so notified will be made available at the specified office of the Paying Agent in Luxembourg for inspection by Securityholders and may subsequently be amended (or appropriate alternative arrangements by way of adjustment thereto taken). Any such amendment will be notified to the Issuer, each of the Paying Agents and the Luxembourg Stock Exchange (for so long as the Securities are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) as soon as reasonably practicable after the determination of such amendment and will also be made available at the specified office of the Paying Agent in Luxembourg for inspection by Securityholders.

Where any Interest Payment Date or Premium Payment Date is subject to adjustment pursuant to Condition 3(e), the Interest Amounts and the Interest Payment Date or Premium Amount and Premium Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period or Premium Period.

(i) *Definitions*

Unless the context otherwise requires and subject to the applicable Final Terms, the following terms shall have the meanings set out below:

"Aggregate Nominal Amount" means the aggregate nominal amount of the Securities set out in the applicable Final Terms.

"Day Count Fraction" means, in respect of the calculation of an amount of interest and/or premium on any Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period and/or a Premium Period, the **"Calculation Period"**):

- (i) if "Actual/Actual" or "Actual/Actual – ISDA" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (iv) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (v) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

- (vi) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30;

- (vii) if "Actual/Actual–ICMA" is specified in the applicable Final Terms:
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1)

the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

where:

"Determination Date" means the dates specified as such in the applicable Final Terms or, if none is so specified, the Interest Payment Dates and/or Premium Payment Dates; and

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

"Designated Maturity" means the period set out in the applicable Final Terms.

"Interest Amount" means:

- (i) if the Participation Securities provisions are specified to be applicable, subject to Conditions 5(f), 6 and the Applicable Schedule, the pro rata share of an amount (if any) representing the cash dividends or other payments (excluding any dividends or other payments that lead to an adjustment under the Applicable Schedule) net of any Costs (as defined in Condition 6 and as may be further defined in the applicable Final Terms) or adjustments as determined by the Calculation Agent acting in good faith in its sole and absolute discretion, when cash dividends or other payments on the Reference Underlyings (or assets constituted thereby) become due (as declared by the Reference Entity (as defined in Schedule 1) or the Sponsor (as defined in Schedule 2) as the case may be) and are paid in respect of the Reference Underlyings (or assets constituted thereby) for the Securities prior to the relevant Interest Payment Date converted into the Specified Currency (rounded down to the nearest Unit) by the Calculation Agent using the prevailing Exchange Rate (as defined in Condition 5); or
- (ii) if the Participation Securities provisions are not specified to be applicable, the amount of interest payable in respect of a Security on an Interest Payment Date as specified in or calculated in accordance with the provisions specified in the applicable Final Terms or calculated under this Condition.

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the applicable Final Terms.

"Interest Payment Date" means:

- (i) if the Participation Securities provisions are specified to be applicable, either (i) any Business Day in the Determination City that falls within 14 calendar days of the cash dividends or other payments in respect of the Reference Underlyings (or assets constituted thereby) (or amounts corresponding to such cash dividends or other payments as described above) having been received by the Hedge Provider, as determined by the relevant Calculation Agent acting in good faith, or (ii) each other date which falls the number of months or other period specified as specified in the applicable Final Terms;

- (ii) if the Floating Rate Securities provisions are specified to be applicable, such date as determined in accordance with Condition 3(c); or
- (iii) in other cases, each date as may be specified in the applicable Final Terms.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"ISDA Definitions" means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as amended and supplemented as of the Issue Date.

"Margin" means the margin as may be specified in the applicable Final Terms.

"Premium Amount" means the amount of any premium payable in respect of a Security on a Premium Payment Date as specified in the applicable Final Terms or calculated under this Condition.

"Premium Commencement Date" means the Issue Date or such other date as may be specified in the applicable Final Terms.

"Premium Payment Date" means each Premium Payment Date specified in the applicable Final Terms.

"Premium Period" means the period beginning on (and including) the Premium Commencement Date and ending on (but excluding) the first Premium Payment Date and each successive period beginning on (and including) a Premium Payment Date and ending on (but excluding) the next succeeding Premium Payment Date.

"Rate Multiplier" means the rate multiplier as may be specified in the applicable Final Terms.

"Rate of Interest" means the rate of interest payable from time to time in respect of a Security as specified in the applicable Final Terms or calculated under this Condition.

"Rate of Premium" means the rate of premium payable from time to time in respect of a Security as specified in the applicable Final Terms.

4. PAYMENTS

(a) *Method of payment*

Subject as provided below in this Condition 4, payments will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

(b) *Payments*

Payments of any Redemption Amount or Early Redemption Amount in respect of each Security (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Security at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder of the Security appearing in the Register at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means a bank in the principal financial centre of the country of such Specified Currency.

Payments of any interest or premium in respect of each Security (whether or not in global form) will be made in the manner provided in the preceding paragraph by transfer to the Designated Account of the holder of the Security appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date.

No commissions or expenses shall be charged to such holders by the relevant Registrar in respect of any payments of any Redemption Amount, Early Redemption Amount, interest or premium in respect of the Securities.

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(c) *Payment Day*

If the date for payment of any amount in respect of any Security is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further payment in respect of such delay. For these purposes, "**Payment Day**" means any day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

- (i) the relevant place of presentation;
- (ii) (x) if Credit Suisse (Hong Kong) Limited is specified as the Principal Paying Agent in the applicable Final Terms, Hong Kong; or (y) if Credit Suisse Securities (Europe) Limited is specified as the Principal Paying Agent in the applicable Final Terms, London;
- (iii) (x) if the Specified Currency is a currency other than euro, Australian dollars or New Zealand dollars, the principal financial centre of the country of the relevant Specified Currency; (y) if the Specified Currency is Australian dollars or New Zealand dollars, Sydney and Auckland, respectively; or (z) if the Specified Currency is euro, a day on which the TARGET2 System or any successor thereto is operating, where "TARGET2 System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer System; and

- (iv) any Additional Financial Centre specified in the applicable Final Terms.

5. REDEMPTION AND PURCHASE

(a) *Definitions*

In these Terms and Conditions, the following terms shall have the following meanings:

"Applicable Schedule" means the Schedule to these Terms and Conditions that is specified to be applicable as a result of the classification of the Reference Underlying in the applicable Final Terms, subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Applicable Schedule and these Terms and Conditions, the Applicable Schedule shall prevail.

"Business Day" means, in respect of any city, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in that city.

"Business Day in the Determination City" means a day (other than a Saturday or a Sunday) (i) on which banks in the Determination City specified in the applicable Final Terms are open for business and (ii) that is a trading day on the Exchange specified in the applicable Final Terms.

"Determination City" means the Determination City specified in the applicable Final Terms.

"Early Redemption Amount" means, unless otherwise specified in the applicable Final Terms, (i) the meaning given to such term in the Applicable Schedule or (ii) if there is no Applicable Schedule, the Fair Market Value.

"Early Redemption Date" means, subject to Condition 5(f), the date falling 14 calendar days after the Notice Date or such date as specified in the applicable Final Terms.

"Early Redemption Notice" means (a) in relation to a redemption at the option of the Securityholder pursuant to Condition 5(e), a notice in the form obtainable from any of the Paying Agents electing that any one or more Securities be redeemed by the Issuer given to the Specified Office of the Principal Paying Agent in accordance with Condition 5(e); and (b) in relation to a redemption at the option of the Issuer pursuant to Condition 5(c), Condition 5(d), Condition 5(g), Condition 5(h) or the Applicable Schedule, a notice given by the Issuer to Securityholders in accordance with Condition 10 (which shall confirm that an event as described in the relevant Condition has, in the reasonable opinion of the Issuer, occurred and shall specify the effective date of that event and the Notice Date).

"Equity Linked Securities" means Securities in respect of which the Reference Underlying is specified a "Share" or a basket of "Shares".

"Exchange Rate" means, in relation to any day, the rate of exchange of the Relevant Currency for the Specified Currency (expressed as the number of units of the Relevant Currency for which one unit of the Specified Currency can be exchanged) as determined in good faith by the Calculation Agent, by reference to (i) the rates of exchange obtained by the Hedge Provider in exchanging the Relevant Currency obtained from selling those Reference Underlyings (or assets constituted thereby) or unwinding hedging arrangements held directly or indirectly by the Hedge Provider to hedge the Issuer's obligations in respect of the Securities as appropriate or, as the case may be, converting cash dividends or other payments

paid in respect of the Reference Underlyings (or assets constituted thereby) to or to the order of, or otherwise received by, the Hedge Provider for the Relevant Currency and/or (ii) such other factors as the Calculation Agent shall decide in good faith PROVIDED THAT if an FX Disruption Event has occurred and is continuing on any date on which the Exchange Rate is to be determined, then such Exchange Rate shall be determined on such factors and in such manner as the Calculation Agent shall determine in good faith.

"Fair Market Value" means an amount in the Specified Currency (rounded down to the nearest Unit) equal to the fair market value of such Securities immediately prior to such redemption (which may be nil) taking into consideration all information which the Calculation Agent deems relevant (including, without limitation, the circumstances that resulted in the events causing such redemption) less the cost to the Issuer and/or the Hedge Provider of unwinding any related hedging arrangements (including, without limitation, selling or otherwise realising the Reference Underlyings (or assets constituted thereby)) in relation to such Securities, all as determined by the Calculation Agent in its discretion acting in good faith and in a commercially reasonable manner.

"FII Regulations" means the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 (as amended) and any legislation replacing or supplementing the same and guidelines and circulars published by SEBI pursuant thereto as such term may be interpreted and/or applied from time to time.

"FX Disruption Event" means:

- (i) an event in relation to a Relevant Underlying Jurisdiction which has the effect of preventing, restricting or delaying the Calculation Agent from:
 - (A) converting the Relevant Currency into the Specified Currency through customary legal channels; or
 - (B) converting the Relevant Currency into the Specified Currency at a rate at least as favourable as the rate for domestic institutions located in the Relevant Asset Jurisdiction; or
 - (C) delivering the Specified Currency from accounts inside the Relevant Asset Jurisdiction to accounts outside the Relevant Asset Jurisdiction; or
 - (D) delivering the Relevant Currency between accounts inside the Relevant Asset Jurisdiction or to a party that is a non-resident of the Relevant Underlying Jurisdiction;
- (ii) the imposition by the Relevant Underlying Jurisdiction (or any political or regulatory authority thereof) of any capital controls, or the publication of any notice of an intention to do so, which the Calculation Agent determines in good faith is likely materially to affect the Securities, and notice thereof is given by the Issuer to the Securityholders in accordance with Condition 10; or
- (iii) the implementation by the Relevant Underlying Jurisdiction (or any political or regulatory authority thereof) of, or the publication of any notice of an intention to implement, any changes to the laws or regulations relating to foreign investment in the Relevant Underlying Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), which the

Calculation Agent determines are likely to materially affect the Issuer's ability to hedge its obligations under the Securities.

"Hedging Disruption Event" means that, as determined by the Calculation Agent, the Issuer and/or the Hedge Provider is/are unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it/they deem(s) necessary to hedge the price risk of the Issuer issuing and performing its obligations with respect to the Securities, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s). Such event may occur as a result of, but not limited to, the redemption, termination or cancellation, if applicable, of the Reference Underlyings for any reason (other than, if applicable, the exercise of the Reference Underlyings in accordance with their normal terms).

"Illegality Event" means that, as determined by the Calculation Agent in its sole and absolute discretion:

- (a) it is, becomes or will become illegal, impossible or impracticable (including, in the case of Securities linked to Indian Reference Underlyings, such illegality, impossibility or impracticability occurring by virtue of the FII Regulations) in whole or in part as a result of compliance in good faith with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or interpretation thereof (including, in the case of Securities linked to Indian Reference Underlyings, the FII Regulations) ("**applicable law**") for the Issuer to enter into or perform its obligations under any Relevant Instruments or for any Relevant Instruments to remain outstanding, including where, in the opinion of the Calculation Agent, the effect of the applicable law would be to impose any limit on the notional amount of any such Relevant Instruments which may be or remain outstanding or to require any or all of such Relevant Instruments to be unwound, cancelled, redeemed or terminated; or
- (b) any hedging arrangements of the Issuer in respect of the Relevant Instruments is, becomes or will become illegal, impossible or impracticable in whole or in part as a result of compliance in good faith with any applicable law.

"Issue Date" means, in respect of any Security, the date of issue of such Security being, in the case of any Definitive Security represented initially by a Global Security, the same date as the date of issue of the Global Security which initially represented such Security.

"Index Linked Securities" means Securities in respect of which the Reference Underlying is specified as an "Index" or a basket of "Indices".

"Issue Price" means the price, generally expressed as a percentage of the nominal amount of the Securities, at which the Securities will be issued as specified in the applicable Final Terms.

"Last Date for Early Redemption" means, subject to Condition 5(f), the Valuation Date specified in the applicable Final Terms.

"Launch Date" means the Launch Date specified in the applicable Final Terms.

"Maturity Date" means, subject to Condition 5(f), the Maturity Date specified in the applicable Final Terms (or if such date is not a Business Day, the next following Business Day).

"Notice Date" means, (a) in relation to an early redemption at the option of the Securityholder pursuant to Condition 5(e), any Business Day in the Determination City on which the Issuer receives an Early Redemption Notice in relation to that Security provided that any Early Redemption Notice received by the Issuer after 10.00 a.m. (Hong Kong time) on any Business Day in the Determination City shall be deemed to have been received on the next following Business Day in the Determination City or (b) in relation to an early redemption of a Security at the option of the Issuer pursuant to Condition 5(c), Condition 5(d), Condition 5(g) or Condition 5(h), any Business Day in the Determination City which is specified in the notice of redemption given to Securityholders by the Issuer in accordance with Condition 10.

"Number of Reference Underlyings" means, in respect of an Equity Linked Security and subject to Conditions 5(f) and the Applicable Schedule, the number of Reference Underlyings relating to such Security specified in the applicable Final Terms.

"Offshore Derivative Instruments" means offshore derivative instruments within the meaning of the FII Regulations.

"Redemption Amount" means, unless otherwise specified in the applicable Final Terms, the meaning given to such term in the Applicable Schedule.

"Relevant Currency" means, in respect of the Reference Underlying, the currency for such Reference Underlying as specified in the applicable Final Terms.

"Relevant Instruments" means, in respect of the Securities, such Securities and any other securities, instruments or contracts issued or entered into by the Issuer and any of its Affiliates in respect of the Reference Underlyings of such Securities (and in the case of Indian Reference Underlyings, such securities, instruments or contracts which are, or are commonly regarded by SEBI as, Offshore Derivative Instruments).

"SEBI" means the Securities and Exchange Board of India.

"Specified Currency" means US dollars unless specified otherwise in the applicable Final Terms.

"Specified Denomination" means the denomination of the Securities specified in the applicable Final Terms.

"Specified Office" means, in relation to the Issuer, the Registrar, any Transfer Agent or any Paying Agent, the office specified hereon.

"Unit" means, in relation to any currency, the unit of that currency that is specified hereon.

"Valuation Date" means, subject to Condition 5(f), the Valuation Date specified in the applicable Final Terms, or if there is an early redemption pursuant to Condition 5(c), Condition 5(d) or Condition 5(e), the Notice Date, provided that if any such date is not a Business Day in the Determination City, the Valuation Date shall fall on the next following Business Day in the Determination City.

(b) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Security will be redeemed by the Issuer at its Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms in the

relevant Specified Currency on the Maturity Date. Thereafter, the Issuer shall have no further obligations in respect of such Security. For the avoidance of doubt, the Issuer may, if specified in the applicable Final Terms, in lieu of payment of the Redemption Amount, redeem each Security by issuing further Securities ("**Further Securities**") to the Securityholders. Further Securities issued pursuant to this Condition 5(b) may be issued to the Securityholders free of charge or at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith. The Issuer shall, in accordance with Condition 10, notify the Securityholders as soon as practicable prior to the Maturity Date of this method of settlement and the details relating to the issuance of the Further Securities (including but not limited to the issue price (if any) of the Further Securities and the date of the issuance of such Further Securities).

The Issuer may issue the Further Securities on a date as the Calculation Agent shall determine in its sole and absolute discretion. Any determination by the Calculation Agent in respect of the persons to whom the Further Securities should be issued shall (save in the case of manifest or proven error) be final, conclusive and binding on the Issuer and the Securityholders.

If the Securityholder holds more than one Security, the number of Securities held by such Securityholder may be aggregated for the purposes of determining the number of Further Securities to be issued to such Securityholder pursuant to this Condition 5(b).

In the event that any Further Securities are to be issued at an issue price, no Securityholder will be obligated to purchase such Further Securities but if such Further Securities are not purchased pursuant to the relevant terms of offer, the Issuer shall have no further obligations to the relevant Securityholder in respect of its Securities.

(c) *Redemption for tax reasons*

The Issuer may at any time, having given an Early Redemption Notice to the Securityholders (which notice shall be irrevocable and shall specify the date fixed for redemption) redeem all, but not part only, of the Securities on the Early Redemption Date at their Early Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms in the event that (i) as a result of any change in, or amendment to, the laws or regulations of the Relevant Underlying Jurisdiction or any political subdivision of, or any authority in, or of, the Relevant Underlying Jurisdiction or any change in the application or official interpretation of the laws or regulations of, the Relevant Underlying Jurisdiction which change becomes effective after the Launch Date (whether or not such change has retrospective or retroactive effect), Securityholders become liable to pay tax on capital gains realised on the sale or other disposition of Securities in the Relevant Underlying Jurisdiction or tax is required to be withheld in respect of any payments in respect of the Securities or the Reference Underlyings; or (ii) any tax is required to be withheld or is imposed in respect of any payments in respect of any hedging arrangements entered into, directly or indirectly, by the Hedge Provider.

(d) *Redemption at the option of the Issuer*

If Early Redemption at the option of the Issuer is specified as being applicable in the Final Terms, upon the Issuer giving to the Securityholders an Early Redemption Notice at any time prior to the Last Date for Early Redemption, the Issuer, upon the expiry of such notice, will redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (or in part), such Securities on the Early Redemption Date and at the Early

Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms. Securities may be redeemed under this Condition 5(d) in any multiple of their lowest Specified Denomination. For the avoidance of doubt, the Issuer may, if specified in the applicable Final Terms, in lieu of payment of the Early Redemption Amount, redeem each Security by issuing Further Securities to the Securityholders. Further Securities issued pursuant to this Condition 5(d) may be issued to the Securityholders free of charge or at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith. The Issuer shall, in accordance with Condition 10, notify the Securityholders as soon as practicable prior to the Early Redemption Date of this method of settlement and the details relating to the issuance of the Further Securities (including but not limited to the issue price (if any) of the Further Securities and the date of the issuance of such Further Securities).

The Issuer may issue the Further Securities on a date as the Calculation Agent shall determine in its sole and absolute discretion. Any determination by the Calculation Agent in respect of the persons to whom the Further Securities should be issued shall (save in the case of manifest or proven error) be final, conclusive and binding on the Issuer and the Securityholders.

If the Securityholder holds more than one Security, the number of Securities held by such Securityholder may be aggregated for the purposes of determining the number of Further Securities to be issued to such Securityholder pursuant to this Condition 5(d).

In the event that any Further Securities are to be issued at an issue price, no Securityholder will be obligated to purchase such Further Securities but if such Further Securities are not purchased pursuant to the relevant terms of offer, the Issuer shall have no further obligations to the relevant Securityholder in respect of its Securities.

(e) *Redemption at the option of the Securityholders*

If Early Redemption at the option of the Securityholder is specified as being applicable in the Final Terms, upon the holder of any Security giving to the Issuer an Early Redemption Notice at any time prior to the Last Date for Early Redemption, the Issuer, upon the expiry of such notice, will redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (or in part), such Security on the Early Redemption Date and at the Early Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms. Securities may be redeemed under this Condition 5(e) in any multiple of their lowest Specified Denomination. For the avoidance of doubt, the Issuer may, if specified in the applicable Final Terms, in lieu of payment of the Early Redemption Amount, redeem each Security by issuing Further Securities to the Securityholders. Further Securities issued pursuant to this Condition 5(e) may be issued to the Securityholders free of charge or at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith. The Issuer shall, in accordance with Condition 10, notify the Securityholders as soon as practicable prior to the Early Redemption Date of this method of settlement and the details relating to the issuance of the Further Securities (including but not limited to the issue price (if any) of the Further Securities and the date of the issuance of such Further Securities).

The Issuer may issue the Further Securities on a date as the Calculation Agent shall determine in its sole and absolute discretion. Any determination by the Calculation Agent in respect of the persons to whom the Further Securities should be issued shall (save in the case of manifest or proven error) be final, conclusive and binding on the Issuer and the Securityholders.

If the Securityholder holds more than one Security, the number of Securities held by such Securityholder may be aggregated for the purposes of determining the number of Further Securities to be issued to such Securityholder pursuant to this Condition 5(e).

In the event that any Further Securities are to be issued at an issue price, no Securityholder will be obligated to purchase such Further Securities but if such Further Securities are not purchased pursuant to the relevant terms of offer, the Issuer shall have no further obligations to the relevant Securityholder in respect of its Securities.

If the Securities are in definitive form, to exercise the right to require redemption of the Securities the holder of the Securities must deliver such Securities to the specified office of the Registrar at any time during normal business hours of such Registrar falling within the notice period, accompanied by a duly completed and signed Early Redemption Notice, in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Securities so surrendered is to be redeemed, an address to which the balance of such Securities is to be sent subject to and in accordance with the provisions of Condition 1.

Any Early Redemption Notice given by a holder of any Security pursuant to this paragraph shall be irrevocable.

(f) *Redemption Disruption Events and Cut-off Date*

(i) If the Calculation Agent determines that at any time during the period from (and including) the Valuation Date to (but excluding) the date specified to be the Maturity Date or the Early Redemption Date (as the case may be) in the applicable Final Terms:

- (A) in relation to any Equity Linked Securities, the occurrence of an event that falls within sub-paragraph (i) or (ii) of the definition of "Potential Adjustment Event" in respect of which the Further Reference Underlyings have not yet been delivered to the existing holders of the Reference Underlyings;
- (B) in relation to any Securities, the occurrence or existence of a Hedging Disruption Event, FX Disruption Event or Disrupted Day; or
- (C) any law or regulation is imposed which affects the Hedge Provider's ability to own, sell or transfer the Reference Underlyings (or assets constituted thereby)

(each a "**Redemption Disruption Event**"), the Calculation Agent shall as soon as practicable notify the holders of the relevant Securities of the occurrence of such Redemption Disruption Event whereupon the provisions of sub-paragraph (ii) shall become applicable.

(ii) Upon the occurrence of a Redemption Disruption Event:

- (A) The Maturity Date or the Early Redemption Date (as the case may be) in respect of the relevant Securities shall be extended to a date (the "**Extended Date**") falling 45 calendar days after the original Maturity Date or Early Redemption Date (as the case may be).

For the purpose of this Condition 5(f)(ii)(A) and subject to Condition 5(f)(ii)(B) below, the Valuation Date shall be deemed to be the first Business Day in the Determination City after the date on which the Redemption Disruption Event is no longer operating.

- (B) In the event that a Redemption Disruption Event is still operating on the 14th calendar day in the Determination City immediately preceding the Extended Date (the "**Cut-off Date**"), the Issuer shall redeem all, but not part only, of the Securities on the Extended Date at their Redemption Amount or Early Redemption Amount (as the case may be) specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms.
- (iii) Upon the payment of the Redemption Amount or the Early Redemption Amount, as the case may be, in respect of a Security in accordance with sub-paragraph (ii) above, the Issuer shall have discharged all of its obligations in respect of such Security and the Issuer shall have no other liability or obligation whatsoever in respect thereof except in the event of a loss resulting directly from the fraud, wilful default or gross negligence of the Issuer or the Calculation Agent.
- (g) *Hedging Disruption Event*
- (i) Upon the occurrence of a Hedging Disruption Event, the Issuer may, but is not obliged to, give notice to Securityholders in accordance with Condition 10 of the occurrence of a Hedging Disruption Event, stating whether the Issuer has elected to: (i) suspend its obligations in respect of the Securities to such date as notified by the Issuer; or (ii) having given an Early Redemption Notice to the Securityholders, redeem the Securities in accordance with this Condition 5(g).
- (ii) Upon the Issuer's election to suspend its obligations in respect the Securities, such obligations shall be suspended up until such date as notified by the Issuer to the Securityholders. In the event that such date shall not have been notified before the date which falls 45 calendar days after the Maturity Date, the Securities shall be redeemed pursuant to Condition 5(g)(iii). If the Issuer has elected to suspend its obligations pursuant to the foregoing, the Issuer shall nevertheless retain the right at any time prior to the date which falls 45 calendar days after the Maturity Date to redeem the Securities pursuant to Condition 5(g)(iii) by giving an Early Redemption Notice to the Securityholders.
- (iii) Upon the Issuer's election to redeem the Securities as aforesaid (or upon expiry of the 45 day period referred to in Condition 5(g)(ii)), the Issuer shall redeem all, but not part only, of the Securities on the Early Redemption Date at their Early Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms.
- (h) *Illegality Event*

Upon the occurrence of an Illegality Event, the Issuer may (but is not obliged to) redeem the Securities at any time prior to maturity by giving an Early Redemption Notice to the Securityholders. The Issuer shall, if and to the extent permitted by applicable law and having given an Early Redemption Notice to the Securityholders, redeem all, but not part only, of the Securities on the Early Redemption Date at their Early Redemption Amount (assuming such illegality, impossibility or impracticality had not occurred) specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms.

(i) *Determinations*

All determinations made by the Issuer and/or Calculation Agent pursuant to this Condition 5 shall be conclusive and binding on the Securityholders and the Issuer. No Securityholder will be entitled to any compensation from the Issuer for any loss suffered as a result of the occurrence of an event described in Condition 5(c), Redemption Disruption Event, Hedging Disruption Event or Illegality Event. For the purposes of these Conditions, if an event can constitute more than one of such events, the Calculation Agent shall have absolute discretion to determine which of these events such event constitutes.

(j) *Purchases*

The Issuer or any of its Affiliates may at any time purchase Securities at any price in the open market or otherwise. Such Securities may be held, reissued, resold or, at the option of the Issuer surrendered to any Paying Agent and/or the Registrar for cancellation.

(k) *Cancellation*

All Securities which are redeemed will forthwith be cancelled. All Securities so cancelled and the Securities purchased and cancelled pursuant to paragraph (j) above cannot be reissued or resold.

6. TAXATION AND COSTS(a) *Payments by Issuer subject to tax and other costs on Security*

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, presentation and surrender for payment, or enforcement of any Security and all payments made by the 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.

(b) *Payments by Issuer subject to tax and other costs incurred by Issuer and/or Hedge Provider*

All payments by the Issuer in respect of the Securities will be made after deduction of any commissions, costs, expenses, duties, taxes (including but not limited to any capital gains tax or withholding tax), levies, registration fees, custodial fees or other charges whatsoever incurred by the Issuer and/or the Hedge Provider (together, the "Costs") as a result of, or in connection with, the Hedge Provider (a) being the direct holder of the Reference Underlyings (or assets constituted thereby) and/or selling and/or realising the Reference Underlyings (or assets constituted thereby) or (b) entering into and/or unwinding any relevant hedging arrangements.

Each Security will be subject to a proportionate share of any Costs.

(c) *Charge on redemption of PRC Property Share Security and PRC Property Index Security*

The Issuer shall include a charge on the redemption of any:

- (i) PRC Property Share Security; or
- (ii) PRC Property Index Security,

in an amount equal to 10% of the Net Gain ("**Provisional Hedging Cost**"), being an estimate of the Tax to the Issuer and/or the Hedge Provider. Such Provisional Hedging Cost shall be deducted from the Redemption Amount or Early Redemption Amount (as the case may be) payable by the Issuer to the Securityholder.

No Securityholder will be entitled to any tax credit associated with the Tax.

(d) *Adjustment*

As soon as practicable upon the occurrence of a Tax Decision, the Calculation Agent shall make such adjustments as it may deem appropriate to the calculation of the Provisional Hedging Cost as set out in Condition 6(c) above on the basis of the consequence of the Tax Decision going forward.

Any adjustments made under this Condition 6(d) shall be notified to the Securityholders in accordance with Condition 10.

(e) *Rebalancing*

If the Tax Decision occurs prior to the PRC Tax Cut Off Date and the Tax Decision applies retrospectively from any time after the Issue Date, as soon as practicable after the occurrence of the Tax Decision, the Calculation Agent shall make a comparison of:

- (i) the Tax properly payable by the Issuer and/or the Hedge Provider in respect of the relevant PRC Property Share Security and/or PRC Property Index Security pursuant to the Tax Decision (taking into account, without limitation, the scope of the Tax Decision and the applicable rate at which the Tax is payable); and
- (ii) the Provisional Hedging Cost deducted pursuant to the Condition 6(c) above (before any adjustment pursuant to Condition 6(d)),

and a balancing payment of the difference will be due from the Issuer to the Securityholder at the time the comparison is made or *vice versa*.

To the extent the Provisional Hedging Cost made in respect of the relevant PRC Property Share Security and PRC Property Index Security exceeds Tax properly payable by the Issuer and/or the Hedge Provider and therefore a balancing payment is due from the Issuer to the Securityholder, such payment will be settled on the next payment date (if any) scheduled under the Terms and Conditions and the applicable Final Terms of the Security, or otherwise as specified by the Issuer.

To the extent the Tax properly payable by the Issuer and/or the Hedge Provider exceeds the Provisional Hedging Cost made in respect of the relevant PRC Property Share Security and PRC Property Index Security and therefore a balancing payment is due from the Securityholder to the Issuer, the Issuer shall deduct an amount which equals such excess from the proceeds of the Redemption Amount or the Early Redemption Amount, as the case may be, until such excess has been offset in full.

No adjustment shall be made if the Tax Decision occurs after the PRC Tax Cut Off Date or prior to the PRC Tax Cut Off Date but does not apply retrospectively from any time after the Issue Date.

(f) *Dividend*

Where a cash or non-cash dividend is declared or other corporate action occurs in respect of a PRC Share Security (or the Reference Entity in respect of such PRC Share Security) or a PRC Index Security, the Calculation Agent may make such adjustments as it deems fit to the Terms and Conditions or applicable Final Terms of such Security, which adjustments shall take into account any actual or potential tax liability which does or may arise in respect of the applicable dividend or other corporate action (as the case may be).

Any adjustments and determinations made under this Condition 6(f) shall be notified to the Securityholders in accordance with Condition 10.

For the purposes of Conditions 6(c), 6(d), 6(e) and 6(f) and above, the following terms shall have the following meanings:

"Final Reference Level" means in respect of (i) a PRC Property Share Security and a Valuation Period and (ii) a PRC Property Index Security and a Valuation Period, the weighted average price per Reference Underlying or PRC Property Share which is a constituent asset of the Reference Underlying, as applicable (net of Costs) which the Hedge Provider obtains in selling or otherwise realising the Reference Underlyings or such PRC Property Shares or unwinding any hedging arrangements (which will include any compensation or payment received by the Hedge Provider for or in lieu of the Reference Underlyings or for unwinding any relevant hedging arrangements) held directly or indirectly by the Hedge Provider to hedge the Issuer's obligations in respect of the Securities during the Valuation Period, converted into the Specified Currency by the Calculation Agent using the Exchange Rate prevailing with respect to the settlement date(s) of the Reference Underlyings or hedging arrangements sold, unwound or otherwise realised by the Hedge Provider or such other factors as the Calculation Agent shall determine as used by the Calculation Agent in computing the Redemption Amount or Early Redemption Amount, as the case may be, payable by the Issuer upon redemption of such Security.

"Final RMB Reference Level" means in respect of (i) a PRC Property Share Security and (ii) a PRC Property Index Security, the RMB price per Reference Underlying or PRC Property Share which is a constituent asset of the Reference Underlying, as applicable (net of Costs) used by the Calculation Agent in computing the Redemption Amount or Early Redemption Amount, as the case may be, payable by the Issuer upon redemption of such Security.

"Initial Reference Level" means in respect of a PRC Property Security and a PRC Property Index Security, the price per Reference Underlying or PRC Property Share which is a constituent asset of the Reference Underlying, as applicable (net of Costs) which the Hedge Provider obtains in buying the Reference Underlyings or PRC Property Shares or entering into any hedging arrangements (which will include any compensation or payment received by the Hedge Provider for or in lieu of the Reference Underlyings or PRC Property Shares or for entering into any relevant hedging arrangements) held directly or indirectly by the Hedge Provider to hedge the Issuer's obligations in respect of the Securities converted into the Specified Currency using the Exchange Rate prevailing with respect to the settlement date(s) of the Reference Underlying or PRC Property Shares or hedging arrangements entered into by the Hedge Provider or such other factors as the Calculation Agent shall determine, as used by the Calculation Agent in computing the amount payable by the Securityholder for the subscription of the Security.

"Initial RMB Reference Level" means in respect of a PRC Property Share Security and a PRC Property Index Security, the RMB price per Reference Underlying or PRC Property Share which is a constituent asset of the Reference Underlying, as applicable (net of Costs) used by the Calculation Agent in computing the price payable by the Securityholder for the subscription of the Security.

"Net Gain" means:

- (i) in respect of each PRC Property Share Security, an amount which equals the greater of:
 - (A) any excess of the Final Reference Level over the Initial Reference Level of the PRC Property Share Security; and
 - (B) any excess of the Final RMB Reference Level over the Initial RMB Reference Level of the PRC Property Share Security,
 multiplied by the Number of Reference Underlyings in respect of that Security; and
- (ii) in respect of each PRC Property Index Security, an amount which equals the greater of:
 - (A) any excess of the Final Reference Level over the Initial Reference Level of the PRC Property Index Security; and
 - (B) any excess of the Final RMB Reference Level over the Initial RMB Reference Level of the PRC Property Index Security,
 multiplied by such factor as determined by the Calculation Agent acting reasonably to be representative of the holding of the relevant PRC Property Share as part of the hedging arrangements for the Issuer's obligations under the PRC Property Index Security.

When computing any Net Gain in respect of any PRC Property Share Security or PRC Property Index Security with different Initial Reference Levels or Initial RMB Reference Levels, as the case may be, "first-in first-out" method of calculation will be applied.

"PRC" means The People's Republic of China (excluding Hong Kong, Macau and Taiwan).

"PRC Index" means an index which constituent assets comprise one or more PRC Shares.

"PRC Index Security" means any Security which Reference Underlying is a PRC Index and which hedging arrangements involve the acquisition of a PRC Share which is a constituent asset of the PRC Index.

"PRC Property Index Security" means any Security which Reference Underlying is a PRC Index and which hedging arrangements involve the acquisition of a PRC Property Share which is a constituent asset of the PRC Index.

"PRC Property Share" means in respect of a PRC Property Share Security or a PRC Property Index Security, a constituent stock of the SSE Real Estate Index (Bloomberg ticker "SHPROP") at the time of determination of the Redemption Amount or the Early Redemption Amount, as the case may be.

"PRC Property Share Security" means a Security which Reference Underlying is a PRC Property Share and which hedging arrangements involve the acquisition of such PRC Property Share.

"PRC Shares" means securities listed on any PRC stock exchanges or securities issued by an issuer incorporated in the PRC and listed on The Stock Exchange of Hong Kong Limited.

"PRC Share Security" means any Security which Reference Underlying is a PRC Share and which hedging arrangements involve the acquisition of such PRC Share.

"PRC Tax Cut Off Date" means in respect of a PRC Property Share Security, a PRC Property Index Security, a PRC Share Security or a PRC Index Security, the date which falls 7 years after:

- (i) the day the final Valuation Period of such Security ends; or
- (ii) where the relevant Security is redeemed prior to the Maturity Date, the Early Redemption Date.

"Tax" means all present, future or contingent gain, profit, transactional or business tax or other similar taxes which may be imposed directly or indirectly on the Issuer and/or the Hedge Provider.

"Tax Decision" means the implementation of the tax legislation published by any relevant tax authority in the PRC relating to the Tax payable by the Issuer or the Hedge Provider for dealing in PRC Shares and PRC Property Shares including the applicability of the Hong Kong/PRC Double Tax Agreement as accepted by the relevant tax authority in the PRC, as determined by the Calculation Agent.

7. REPRESENTATIONS AND ACKNOWLEDGEMENTS

BY PURCHASING THE SECURITIES, EACH SECURITYHOLDER CONFIRMS THAT ALL OF THE FOLLOWING STATEMENTS WITH RESPECT TO SUCH SECURITYHOLDER ARE TRUE AND CORRECT ON THE ISSUE DATE OF THE SECURITIES AND ACKNOWLEDGES THAT THE ISSUER HAS RELIED ON SUCH CONFIRMATION AND UNDERSTANDING IN ISSUING THE SECURITIES.

- (a) The Securityholder is a sophisticated institutional investor and has such knowledge and experience in financial and business matters and expertise in assessing credit, operational and market risk, that it is capable of evaluating merits, risks and suitability of investing in the Securities and that it is relying exclusively on its own sources of information and analysis with respect to the Securities, the Reference Underlyings and the Relevant Underlying Jurisdiction and/or all other relevant persons or entities existing in that jurisdiction.
- (b) The Securityholder has itself been, and will at all times continue to be, solely responsible for making its own independent appraisal of and investigation into the business, financial condition, prospects, creditworthiness, status and affairs of the Issuer and of the Reference Underlyings and the legal, financial, tax, accounting and other evaluations of the merits and the risks of investing in the Securities and is not relying on the views or the advice of the Issuer, the Hedge Provider or any of its Affiliates in that regard.
- (c) The Securityholder's purchase of the Securities (i) is fully consistent with its financial needs, objectives and condition, (ii) complies with and is fully consistent with all investment

guidelines, investment restrictions, investment objectives and strategies, financial circumstances or constitutional or other restrictions applicable to it or any applicable law or regulation of the jurisdiction of incorporation of the relevant Reference Entity; and (iii) is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Securities.

- (d) The Securityholder is duly authorised and has full power and capacity to purchase the Securities and in doing so will not violate any applicable law, rules, regulation, judicial or administrative order, or contractual provision (including, for the avoidance of doubt, any disclosure requirements imposed by any governmental or regulatory authority) to which it is subject or to which it is a party.
- (e) The Securityholder has not relied and will not at any time rely, on the Issuer or any other Affiliate of the Issuer in connection with its determination as to the legality of its purchase of the Securities or as to the other matters referred to in paragraph (d) above, or to provide it with any information relating to, or to keep under review on its behalf, the business, financial conditions, prospects, creditworthiness, status of affairs of the entities to which the Reference Underlyings relate or conducting any investigation or due diligence into such entities.
- (f) In issuing this Security, the Issuer is not making, and has not made, any representations whatsoever as to the Reference Underlyings (or assets constituted thereby) or any information contained in any document filed in respect of the Reference Underlyings with any exchange or with any governmental entity regulating the purchase and sale of securities or the Reference Underlyings (or assets constituted thereby).
- (g) The Issuer and any Affiliate of the Issuer may, whether by virtue of the types of relationships described above or otherwise, at the date hereof or at any time hereafter be in possession of information in relation to the entity or entities to which the Reference Underlyings relate which is or may be material in the context of the Securities and which is or may not be known to the general public or the Securityholder. The Securities do not create any obligation on the part of the Issuer or any Affiliate of the Issuer to disclose to the holder any such relationship or information (whether or not confidential) and neither the Issuer nor any other Affiliate of the Issuer shall be liable to the Securityholder by reason of such non-disclosure.
- (h) The Securityholder is purchasing the Securities either as principal for its own account or in its capacity as manager of a fund, in either case for investment purposes and not with a view to, or for resale in connection with, any distribution or any disposition thereof, and no other person has or will have a direct or indirect beneficial interest in the Securities (other than by virtue of such person's direct or indirect beneficial interest in the Securityholder).
- (i) Having been sent a term sheet with respect to the Securities on or prior to the Issue Date, the initial Securityholder has read the term sheet and, having been given an opportunity to comment on the term sheet, it understands the terms and conditions of the Securities and, in particular, that the Securities may be redeemed at an amount (which may be less than par) and will be net of Costs and it bears the risk of imitations on title and forged certificates of title in respect of the Reference Underlyings (or assets constituted thereby), and it shall be bound by and deemed to have notice of the terms and conditions of the Securities.
- (j) The Issuer and its Affiliates are actively engaged in financial services businesses globally and may in the course of such businesses have or develop business relationships with third parties including the entities to which the Reference Underlyings relate (including, without limitation, lending, depositary, risk management, advisory and banking relationships). They may also, amongst other things, be members of and/or have an ownership interest in, an

exchange or other venue on which securities are traded, make markets in securities, buy or sell securities on a principal or proprietary basis and/or take direct or indirect interests in securities, including the Reference Underlyings (or assets constituted thereby), whether by way of security interest or otherwise. In acting in these capacities the Issuer and/or its Affiliates may at the date hereof or at any time hereafter have or acquire non-public information with respect to the Reference Underlying (or assets constituted thereby) and/or the entities to which the Reference Underlyings relate that is or may be material in the context of the Securities, which will not be provided to Securityholders. In addition, the interests of the Issuer and/or its Affiliates may conflict with the interests of the Securityholders and the Issuer reserves the right to take such actions as it considers necessary or appropriate (including without limitation any sale, disposal or enforcement of security of or over the Reference Underlyings (or assets constituted thereby)) to protect its interests without regard to the consequences for the Securityholders.

- (k) All payments by the Issuer in respect of the Securities will be made subject to any tax, duty, withholding or other payment and after deduction of any Costs, all as provided in Condition 6.
- (l)
 - (i) the Securityholder (i) has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done in relation to the Securities in, from or otherwise involving the United Kingdom and (ii) has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in which Section 21(1) of the FSMA would not, if the Issuer were not an authorised person, apply to the Issuer;
 - (ii) the Securityholder has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Securities other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent) or (ii) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) (the "**CO**"), or (iii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) (the "**SFO**") and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO, and (c) the Securityholder has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Securities which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO;
 - (iii) the Securityholder (a) is outside the United States and is not a U.S. person (as such terms are defined in Regulation S under the Securities Act) and has not offered or sold any Securities within the United States or to, or for the account or benefit of, U.S. persons, (b) is a qualified institutional buyer as defined in Rule 144A under the Securities Act, or (c) is an institution that is an "Accredited Investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act purchasing the Securities pursuant to an exemption from the registration requirements of the Securities Act and

has validly completed, executed and delivered an investor representation letter in the form provided by the Issuer or the Principal Paying Agent;

- (iv) (a) the Securityholder has subscribed for the Securities as principal, and that it will not directly or indirectly offer, sell or deliver any Securities in Korea, to any person for re-offering or re-sale directly or indirectly in Korea except as otherwise permitted by applicable Korean laws and regulations; and (b) where the Securities are linked to shares of the companies incorporated in Korea that are listed on the Korean Stock Exchange and quoted in Korean Won, it will not directly or indirectly offer, sell or deliver any Securities to any person with Korean nationality (whether resident in Korea or not) or to any resident of Korea, or to others for re-offering or re-sale directly or indirectly to any person with Korean nationality (whether resident in Korea or not) or to any resident of Korea;
- (v)
 - (1) the Securities may not be sold offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase by such investors outside Taiwan and/or (ii) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products under which rules the Notes have been registered in Taiwan;
 - (2) where the Securities are linked to shares of the companies incorporated in the PRC that are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange and quoted in Renminbi, such Securities may be made available, outside Taiwan, to Taiwan resident investors otherwise legally permitted to invest in such products so long as such investors are not investing therein for purposes of gaining or exercising control or influence, directly or indirectly, over the management of any such shares, Reference Entities or sponsors but are not permitted to be offered, marketed, sold or issued in Taiwan; and
 - (3) where the Securities are linked to Reference Underlyings listed in Taiwan ("**Taiwanese Reference Underlyings**"), each Securityholder and each beneficial owner of a Security represents as a condition to purchasing or owning such Securities or any beneficial interest therein that:
 - (a) it is not funding all or part of its purchase of Securities linked to Taiwanese Reference Underlyings, whether directly or indirectly, from moneys financed by or sourced from Taiwan nor PRC sources; and
 - (b) it understands and acknowledges that the following categories of persons are not allowed to hold and trade such Securities:
 - (i) nationals of Taiwan or individuals known, or reasonably believed, to be representing the interests of Taiwanese citizens;
 - (ii) nationals of the People's Republic of China ("**PRC**") or individuals known, or reasonably believed, to be representing the interests of PRC citizens;

- (iii) individuals domiciled or companies incorporated in Taiwan or the PRC;
 - (iv) Taiwanese insiders intending to trade their companies' shares;
 - (v) overseas companies beneficially owned or controlled by Taiwanese or PRC nationals; and
 - (vi) offshore personal investment companies of which any of those listed in the paragraphs (i) to (v) above is a beneficial owner.
- (vi) (a) no prospectus in relation to the Securities has been registered with the Securities Commission of Malaysia ("SC") pursuant to the Capital Markets and Services Act 2007 of Malaysia ("CMSA"); and (b) the Securities shall not be offered for subscription or sold, directly or indirectly, nor may an invitation or offer to subscribe for or sell such Securities in Malaysia unless such offer or invitation has been approved by the SC or is otherwise exempted under Schedule 5 of CMSA, and it is exclusively made to persons specified under Schedules 6 and 7 of the CMSA, which shall include, *inter alia*, sophisticated investor, holder of capital markets services license and persons outside Malaysia;
- (vii) this Base Prospectus has not been and will not be registered as a prospectus with the Registrar of Companies and the Securities will not be offered or sold in India, and no other offering document or material relating to the Securities, directly or indirectly, been circulated to any members of the public in India and if the Securities are linked to any Indian Reference Underlying, the provisions in this sub-paragraphs (1) to (4) below shall apply:
- (1) the Securityholder (a) is not resident in India and is not, and whose controller is not, any of the following persons ("**Prohibited Persons**") and (b) has not offered, sold or delivered and will not offer, sell or deliver any Securities to any person for reoffering or resale or redelivery in any such case directly, or indirectly within the Republic of India or to any Prohibited Persons or to any person whose controller is a Prohibited Person:
- (a) a "Person Resident in India" as that term is defined in the Foreign Exchange Management Act, 1999;
 - (b) a "Non-Resident Indian" as that term is defined in the Foreign Exchange Management (Deposit) Regulations 2000 as notified by the Reserve Bank of India; or
 - (c) an entity not regulated by an appropriate foreign regulatory authority as set out in Regulation 15A of the FII Regulations as may be amended and/or clarified by SEBI from time to time;

For this purpose,

"control" means the ability to appoint a majority or more of the directors of an entity, or the capacity to control decision-making, directly or indirectly, in

relation to the financial, investment and/or operating policies of an entity in any manner.

"controller" means any person or group of persons (acting pursuant to any agreement or understanding (whether formal or informal, written or otherwise)) who:

- (a) is/are entitled to exercise, or control the exercise of a majority or more of the voting power of an entity, or
- (b) holds or is otherwise entitled to a majority or more of the economic interest in an entity, or
- (c) who in fact exercises control over an entity.

Notwithstanding the foregoing definitions, in the case only where an entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such entity's controller for the purposes of this representation by reason only of it being able to control decision-making in relation to the entity's financial, investment and /or operating policies.

"Indian Reference Underlyings" means the securities held by the Issuer that are listed or proposed to be listed on any recognised stock exchange in India and/or as otherwise may be specified by SEBI from time to time;

- (2) each Securityholder and each beneficial owner of a Security represents as a condition to purchasing or owning such Security or any beneficial interest therein that neither it nor any person for whose account or benefit the Securities are being purchased (a) is a Prohibited Person or is located in India and (b) has purchased the Securities with the intent of circumventing or otherwise avoiding any requirements applicable under the FII Regulations and/or any other subsidiary regulations or circulars issued pursuant thereto (including, without limitation, any restrictions applying to foreign institutional investors in relation to their issuances and/or other dealings in ODIs with Prohibited Persons);
 - (3) each Securityholder agrees not to offer, sell or deliver at any time, directly or indirectly, any of the Securities in India or to, or for the account or benefit of any Prohibited Person and agrees that if it should resell or otherwise transfer the Securities it will do so only to a non-Prohibited Person; and
 - (4) each Securityholder represents that it is an entity regulated by an appropriate foreign regulatory authority as set out in the Regulation 15A of the FII Regulations as may be amended and/or clarified by SEBI from time to time.
- (viii) the Securityholder and each beneficial owner of a Security represents as a condition to purchasing or owning such Security or any beneficial interest therein that neither it nor any person for whose account or benefit the Securities are being purchased is a resident of Pakistan, for the purpose of the Foreign Exchange Manual and the Foreign Exchange Regulation Act, 1947 (a "**Resident of Pakistan**") and the Securityholder will not offer, sell or deliver the Securities, directly or indirectly, in Pakistan, or to any Resident of Pakistan. In the event that the Securities are transferred by the

Securityholder, the Securityholder undertakes to use best endeavours to ensure that any other person who has or will have a direct or indirect beneficial interest in the Securities is not a Resident of Pakistan;

- (ix) the Securityholder has not offered, sold or delivered and will not offer, sell or deliver any Securities in the Socialist Republic of Vietnam unless otherwise permitted by the applicable laws and regulations of the Socialist Republic of Vietnam;
- (x) the Securityholder acknowledges that this Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore and the Securities will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, this Base Prospectus, any applicable Final Terms relating to any Securities and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the SFA, (b) to a relevant person under Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Each of the following persons specified in Section 275 of the SFA which has subscribed or purchased Securities, namely a person who is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Securities under Section 275 of the SFA except:

- (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or to any person pursuant to Section 275(1) and Section 275(1A) of the SFA, respectively and in accordance with the conditions, specified in Section 275 of the SFA;
 - (2) where no consideration is or will be given for the transfer;
 - (3) where the transfer is by operation of law; or
 - (4) pursuant to Section 276(7) of the SFA.
- (xi) the Securityholder and each beneficial owner of a Security represents as a condition to purchasing or owning such Security or any beneficial interest therein that (a) the Securityholder will not offer or sell the Securities in the PRC; and (b) if the Securities

are linked to shares of the companies incorporated in the PRC that are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange and quoted in Renminbi, the provisions in the sub-paragraphs (1) to (6) below shall apply:

- (1) neither it nor any person for whose account or benefit the Securities are being purchased is a Domestic Investor (as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited);
 - (2) the Securityholder is not owned in whole or in part, directly or indirectly by one or more Domestic Investors;
 - (3) the Securityholder is not financing all or any part of its purchase of the Securities with moneys financed by or sourced from any Domestic Investor;
 - (4) the Securityholder is not an insurance company or a securities house in Taiwan. To the extent the Securityholder is a Taiwan Domiciled Fund, the investment by the Securityholder in the Securities is within the permitted investment scope of the Securityholder and will not cause the Securityholder to exceed any contractual or regulatory limitations or restrictions on the Securityholder's investment scope. For the purposes of this sub-clause, a "**Taiwan Domiciled Fund**" means a fund established in Taiwan under the Regulation Governing Securities Investment Trust Funds;
 - (5) the Securityholder understands and agrees that the Securities may not be offered, sold or delivered, directly or indirectly, in the PRC (excluding Hong Kong, Macau and Taiwan), or to any Domestic Investor, and the Securityholder undertakes not to offer, sell or deliver directly or indirectly the Securities in breach of the foregoing; and
 - (6) in the event that the Securities are transferred by the Securityholder, the Securityholder will ensure that the transferee (a) is not a Domestic Investor; (b) is not owned in whole or in part, directly or indirectly by a Domestic Investor; (c) is not an insurance company or a securities house in Taiwan; (d) is not financing all or any part of its purchase of the Securities from PRC sources.
- (xii) the Securityholder will only offer and sell the Securities in accordance with practices and documentation customary in Switzerland and acknowledges that the issuance of the Securities is subject to guidelines or restrictions imposed by governmental, banking or securities authorities in Switzerland;
- (xiii) with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State:
- (a) if the final terms in relation the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospective Directive in the Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Securities which has

been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State;

- (xiv) no action has been taken by the Securityholder that would, or is intended to, permit a public offer of the Securities in any country or jurisdiction where any such action for that purpose is required. Accordingly, the Securityholder undertakes that it will not, directly or indirectly, offer or sell any Securities or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Securities by it will be made on the same terms; and
- (xv) (a) the Securityholder is not an insider and does not possess non-public material price sensitive information on any of the Reference Entities or issuers or sponsors of any Reference Underlyings and is not entering into this transaction on the basis of material non-public information regarding such Reference Entities, issuers or

sponsors; and (b) the investment hereunder is solely a financial investment and is not for the purpose of acquiring or exercising control or influence, directly or indirectly, over the management of any such Reference Entities, issuers or sponsors.

- (m) The Securityholder acknowledges that the Issuer and/or any of its Affiliates may be required to disclose information in respect of the Securities or relating to the issue of, and subsequent trading in, the Securities or any other information as may be required by any relevant governmental or regulatory authorities or as may be required under any law, regulation, orders or lawful request, including but not limited to information concerning the identity of any party having a legal or beneficial interest in the Securities (as appropriate, for example, (i) the category to which the Securityholder belongs (i.e. hedge fund, corporate, individual, pension fund, trust, etc.); and (ii) if the Securityholder is a fund, names of its fund managers and investment advisors; and the Securityholder consents to and waive confidentiality with regard to any such disclosure. The Securityholder further agrees to promptly (i) provide or procure the provision of such information to the Issuer and/or its Affiliates upon request by the Issuer and/or its Affiliates, and where such information is maintained by any third party on behalf of the Securityholder, the Securityholder shall ensure that appropriate procedures are implemented with such third party to enable the prompt disclosure of such information to the Issuer and/or its Affiliates upon request, and (ii) having so informed the Issuer, provide the requested information directly to the applicable regulatory authority.
- (n) The Securityholder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Securities and all such subsequent purchasers as may purchase such securities from time to time shall deemed to be a Securityholder for the purposes of the Securities and shall be bound by the terms and conditions of the Securities.

8. PRESCRIPTION

The Securities will become void unless presented for payment within a period of 10 years (in the case of any principal) and five years (in the case of any interest or premium) after the date upon which payment becomes due.

9. REPLACEMENT OF SECURITIES

Should any Security be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or any Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Securities must be surrendered before replacements will be issued.

10. NOTICES

All notices will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the Securityholders (or the first named of joint Securityholders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Securities are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the Luxembourg Stock Exchange which is expected to be the *Luxemburger Wort* or notices will be made available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

Until such time as any definitive Securities are issued, there may, so long as any Global Securities representing the Securities are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such mailing of notices delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Securityholders. Any such notice shall be deemed to have been given to the Securityholders on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg. In addition, for so long as any Securities are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the Luxembourg Stock Exchange.

11. MEETINGS OF SECURITYHOLDERS AND MODIFICATION

- (a) The Agency Agreement contains provisions for convening meetings of the Securityholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of these Terms and Conditions or the provisions of the Agency Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing a clear majority in nominal amount of the Securities for the time being outstanding, or at any adjourned meeting one or more persons present whatever the nominal amount of the Securities held or represented by him or them, except that at any meeting, the business of which includes the modification of certain of these Terms and Conditions the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the nominal amount of the Securities for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Securityholders will be binding on all Securityholders, whether or not they are present at the meeting.

The Agency Agreement defines "**Extraordinary Resolution**" to mean a resolution passed at a meeting of the Securityholders duly convened and held in accordance with the provisions of the Agency Agreement by a majority consisting of not less than 75 per cent. of the votes cast thereat.

- (b) The Principal Paying Agent and the Issuer may agree, without the consent of the Securityholders, to any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of any of these Terms and Conditions or any of the provisions of the Agency Agreement which is not, in the opinion of the Principal Paying Agent, materially prejudicial to the interests of the Securityholders or to any modification which is of a formal, minor or technical nature or to correct a manifest or proven error or to comply with mandatory provisions of the law or regulations or is considered necessary by the Issuer and is approved by the Luxembourg Stock Exchange.
- (c) Any modification shall be binding on the Securityholders and, unless the Principal Paying Agent agrees otherwise, any modification shall be notified by the Issuer to the Securityholders as soon as practicable thereafter in accordance with Condition 10.
- (d) Should any of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not be affected in any way.

12. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Securityholders to create and issue further Securities having terms and conditions the same as the Securities or the same in all respects save for the amount and date of the first payment of any interest

and/or premium thereon and so that the same shall be consolidated and form a single Series with the outstanding Securities.

13. CALCULATIONS AND DETERMINATIONS

The calculations and determinations of the Calculation Agent shall (save in the case of manifest or proven error) be final and binding upon the Securityholders. Save as set out in the Agency Agreement, no liability to the Securityholders shall attach to the Calculation Agent in connection with the exercise or non-exercise of its powers, duties and discretions pursuant to the Conditions.

14. SUBSTITUTION AND MERGER OF THE ISSUER

(a) *Substitution of Branch*

The Issuer may at any time, without the consent of the Securityholders, substitute for the Branch (the "**Branch**") specified in the applicable Final Terms, or for any previous Substitute Branch (as defined below), any other branch of the Issuer as the branch through which it is acting in relation to the Securities (the "**Substitute Branch**"), provided that no payment in respect of the Securities is overdue, and provided that no such substitution would thereupon give rise to a redemption for taxation reasons as a result of the application of the laws of the Substitute Branch's country of domicile or residence for taxation purposes. In the event that the Branch, or the then Substitute Branch, should cease to exist, such a substitution shall be effected prior to the cessation of operations by the Branch or such Substitute Branch, as the case may be. Such substitution shall be permitted only if:

- (i) the Substitute Branch shall agree to indemnify each Securityholder against (A) any taxes, duties, assessments or governmental charges of whatever nature which are imposed on such Securityholder with respect to such Security, and which would not have been so imposed had such substitution not been made, (B) any taxes, duties, assessments or governmental charges of whatever nature imposed on or relating to the act of substitution and (C) any costs or expenses of the act of substitution;
- (ii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities represent valid, legally binding and enforceable obligations of the Issuer, acting through such Substitute Branch, shall have been taken, fulfilled and done; and
- (iii) the Substitute Branch and the Issuer shall have obtained legal opinions from independent legal advisers of recognised standing in the Substitute Branch's country of domicile or residence for taxation purposes and Switzerland that the substitution is legal, valid and binding and that all action, conditions and things as aforesaid have been taken, fulfilled and done.

Not more than 30 nor less than 15 days prior to the effective date of such substitution, the Issuer shall procure the notification to the Securityholders, in accordance with Condition 10, of such substitution, stating that copies, or pending execution thereof final drafts, of all relevant documents relating to such substitution and of the legal opinions are available for inspection by Securityholders at the specified offices of the Paying Agents. The originals of all relevant documents relating to such substitution will be delivered to the Principal Paying Agent to hold until there are no claims outstanding in respect of the Securities.

(b) *Substitution in Place of the Issuer*

The Issuer may at any time substitute, without the consent of the Securityholders provided that no payment in respect of the Securities is overdue, an Affiliate of the Issuer to assume liability for the due and punctual payment of all payments on all the Securities then outstanding and the performance of all the Issuer's other obligations under all Securities then outstanding. Upon any such assumption, the assuming company shall succeed to the rights and obligations of the Issuer (or any previous assuming company) under the Securities and the Issuer (or any previous assuming company) shall be released from its liability on the Securities. Such assumption shall be permitted only if, in addition to assuming the obligations of the Issuer (or of any previous assuming company) under the Securities:

- (i) the assuming company and the Issuer shall, by means of a deed poll (the "**Deed Poll**"), agree to indemnify each Securityholder against (A) any taxes, duties, fees, assessments or governmental charges of whatever nature which are imposed on such Securityholder with respect to such Security, and which would not have been so imposed had such assumption not been made, (B) any taxes, duties, fees, assessments or governmental charges of whatever nature imposed on or relating to such substitution and (C) any costs or expenses of the act of such substitution;
- (ii) the Issuer shall in the Deed Poll unconditionally guarantee all payments in respect of the Securities;
- (iii) the assuming company and the Issuer shall warrant, by means of the Deed Poll, that all necessary governmental approvals and consents for the assumption by the assuming company of its obligations and the giving and implementation of the Issuer's guarantee have been obtained and are in full force and the obligations of the assuming company under the Securities and of the Issuer under its guarantee to guarantee payments in respect of the Securities are legal, valid, binding and enforceable in accordance with their terms; and
- (iv) the assuming company and the Issuer shall have obtained legal opinions from independent legal advisers of recognised standing in the country of incorporation of the assuming company and Switzerland that the obligations of the assuming company and of the Issuer in respect of the Securities and the Deed Poll are legal, valid and binding and that all consents and approvals as aforesaid have been obtained.

Not more than 30 nor less than 15 days prior to the effective date of the assumption by the assuming company, the Issuer shall procure the notification to Securityholders, in accordance with Condition 10, of the assumption, stating that copies, or pending execution thereof final drafts, of the Deed Poll and other relevant documents and of the legal opinions are available for inspection by Securityholders at the specified offices of the Paying Agents. The originals of the Deed Poll and other documents will be delivered to the Principal Paying Agent to hold until there are no claims outstanding in respect of the Securities. The assuming company and the Issuer shall in such documents acknowledge the right of every Securityholder to the production of such documents for the enforcement thereof or of the Securities.

Upon the assumption becoming effective, references (if any) in these Terms and Conditions to Switzerland shall be deemed to be replaced by references to the country of incorporation and, if different, the country of tax residence of the assuming company.

(c) *Merger of the Issuer*

The Issuer may, without the consent of the Securityholders, consolidate with or merge into or sell, lease, transfer or convey all or substantially all of its property to another corporation, entity or person provided that the successor corporation, entity or person assumes all obligations of the Issuer under the Securities pursuant to the terms of the Agency Agreement.

15. LIABILITY AND OBLIGATIONS OF THE ISSUER

In no event shall the Issuer have any liability for indirect, or consequential damages (whether or not it has been advised of the possibility of such damages) other than interest until the date of payment on sums not paid when due.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Securities, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. GOVERNING LAW AND SUBMISSION TO JURISDICTION(a) *Governing law*

The Agency Agreement, the Deed of Covenant and the Securities (and any non-contractual obligations arising out of or in connection with these) are governed by, and shall be construed in accordance with, English law.

(b) *Submission to jurisdiction*

The Issuer agrees, for the exclusive benefit of the Securityholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Securities (including any non-contractual obligations arising out of or in connection with the Securities), and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Securities (including any non-contractual obligations arising out of or in connection with the Securities) may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

SCHEDULE 1

PROVISIONS RELATING TO EQUITY LINKED SECURITIES

This Schedule shall apply to each Reference Underlying the classification of which is specified as "Share" in the applicable Final Terms.

For the avoidance of doubt, defined terms used in this Schedule shall only apply in respect of Equity Linked Securities.

1. DEFINITIONS

"Disrupted Day" means, in respect of a Reference Underlying, any Scheduled Trading Day on which (i) the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred.

"Early Redemption Amount" means, subject to Conditions 5(f), 6 and this Schedule, in respect of a redemption pursuant to Condition 5(c), 5(d) or 5(e) only:

- (i) if "Participation Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith as being equal to the product of (A) the Reference Price of the Reference Underlyings during the relevant Valuation Period and (B) the Number of Reference Underlyings;
- (ii) if "Outperformance Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith in accordance with the following formula:

$$\frac{(\text{Number of Reference Underlyings} \times \text{Reference Price})}{FX_E} + \left\{ \left[\frac{(\text{Number of Reference Underlyings} \times \text{Ref Price}_1)}{FX_1} \right] \times \text{Outperformance Factor} \times \frac{D}{365} \right\} / 2$$

where:

"D" means the number of calendar days from (and including) the Issue Date to (and excluding) the Early Redemption Date;

"FX₁" means the Exchange Rate on the Issue Date, as determined by the Calculation Agent;

"FX_E" means the Exchange Rate on the Valuation Date, as determined by the Calculation Agent;

"Outperformance Factor" means the percentage specified as such in the applicable Final Terms, provided that if D is 30 or less, the Outperformance Factor shall be zero; and

"Ref Price₁" means the official closing price of the Reference Underlying on the Issue Date, as determined by the Calculation Agent; or

- (iii) such other amount as specified in the applicable Final Terms,

provided that in respect of a redemption pursuant to any other Condition, the Early Redemption Amount shall be the Fair Market Value.

For the avoidance of doubt, the Early Redemption Amount may be zero.

"Exchange" means, in respect of a Reference Underlying, the stock exchange so specified in the applicable Final Terms or such other stock exchange on which such Reference Underlying is, in the determination of the Calculation Agent, traded or quoted as the Calculation Agent may (in its absolute discretion) select and notify to Securityholders in accordance with Condition 10 or (in any such case) any transferee or successor exchange.

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

"Market Disruption Event" means, in respect of a Reference Underlying, any of the following:

- (i) the occurrence or existence on any Scheduled Trading Day of any suspension of or limitation imposed on trading (i) by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, or (ii) in futures or options contracts relating to the Reference Underlying, which, in either case, the Calculation Agent determines is material;
- (ii) the occurrence or existence on any Scheduled Trading Day of any event (other than an event described in sub-paragraph (iii) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Reference Underlying on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options relating to the Reference Underlying on any relevant Related Exchange, which, in either case, the Calculation Agent determines is material;
- (iii) the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or
- (iv) the inability of the Issuer or any of its Affiliates to unwind its hedge or related trading position relating to the Securities, due to illiquidity, which the Calculation Agent determines is material.

"Redemption Amount" means, subject to Conditions 5(f), 6 and this Schedule, in respect of a redemption pursuant to Condition 5(b) only:

- (i) if "Participation Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith as being equal to the product of (a) the

Reference Price of the Reference Underlyings during the relevant Valuation Period and (b) the Number of Reference Underlyings;

- (ii) if "Outperformance Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith in accordance with the following formula:

$$\frac{(\text{Number of Reference Underlyings} \times \text{Reference Price})}{\text{FX}_D} + \left\{ \left[\frac{(\text{Number of Reference Underlyings} \times \text{Ref Price}_I)}{\text{FX}_I} \right] \times \text{Outperformance Factor} \times (C/365) \right\}$$

where:

"C" means the number of calendar days from (and including) the Issue Date to (and excluding) the Maturity Date;

"FX_I" means the Exchange Rate on the Issue Date, as determined by the Calculation Agent;

"FX_D" means the Exchange Rate on the Valuation Date, as determined by the Calculation Agent;

"**Outperformance Factor**" means the percentage specified as such in the applicable Final Terms; and

"**Ref Price_I**" means the Reference Price of the Reference Underlying on the Issue Date, as determined by the Calculation Agent; or

- (iii) such other amount as specified in the applicable Final Terms,

provided that in respect of a redemption pursuant to any other Conditions, the Redemption Amount shall be the Fair Market Value.

For the avoidance of doubt, the Redemption Amount may be zero.

"**Reference Underlying**" means a share, warrant, unit or other asset as specified in the applicable Final Terms.

"**Reference Entity**" means the company, exchange traded fund or other entity to which the Reference Underlying relates as specified in the applicable Final Terms.

"**Reference Price**" means, in relation to a Valuation Period and the Reference Underlyings, subject to this Schedule and at the option of the Calculation Agent, the Calculation Agent's good faith determination of the weighted average price per Reference Underlying (net of Costs (as defined in Condition 6)) which the Hedge Provider obtains in selling or otherwise realising the Reference Underlyings (or assets constituted thereby) or unwinding any relevant hedging arrangements (which will include any compensation or payment received by the Hedge Provider for or in lieu of the Reference Underlyings or for unwinding any relevant hedging arrangements) held directly or indirectly by the Hedge Provider to hedge the Issuer's obligations in respect of the Securities during the Valuation Period converted into the Specified Currency by the Calculation Agent using the Exchange Rate prevailing with respect to the settlement date(s) of the Reference Underlyings or hedging arrangements sold, unwound or otherwise realised by the Hedge Provider or such other factors as the Calculation Agent shall determine.

"Related Exchange(s)" means, in respect of a Reference Underlying, the Related Exchange(s), if any, as specified in the applicable Final Terms, or such other options or futures exchange(s) as the Calculation Agent may, in its absolute discretion, select and notify to Securityholders in accordance with Condition 10 or, in any such case, any transferee or successor exchange, provided however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Reference Underlying.

"Relevant Underlying Jurisdiction" means, in respect of a Reference Underlying, the country to which such Reference Underlying relates, as specified in the applicable Final Terms.

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

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

"Valuation Period" means the period comprising the five consecutive Business Days in the Determination City starting on (and including) the Valuation Date or as specified in the applicable Final Terms.

"Valuation Time" means the close of trading on the relevant Exchange in relation to such Reference Underlying, or in either such case, such other time as the Calculation Agent may determine in its absolute discretion and notify to Securityholders in accordance with Condition 10.

2. **POTENTIAL ADJUSTMENT EVENT**

Following the declaration by the Reference Entity of the terms of any Potential Adjustment Event, the Calculation Agent will, acting in good faith, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Reference Underlyings and, if so, will (i) calculate and make the corresponding adjustment, if any, to be made to the Number of Reference Underlyings and/or any of the other terms of these Terms and Conditions as the Calculation Agent acting in good faith determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Reference Underlyings traded on that options exchange.

Any adjustment to the terms of the Security following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registrations payable by or on behalf of holders of Reference Underlyings charged on subscription, acquisition or receipt of any Reference Underlyings or Further Reference Underlyings received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Calculation Agent in good faith.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 10, stating the adjustment to the Reference Underlyings and/or the Securities and/or any of the other terms of these Terms and Conditions and giving brief details of the Potential Adjustment Event.

Notwithstanding the provisions of this Schedule, the Issuer may, at its option and in lieu of making any adjustment as provided above, issue to the Securityholders additional Securities in such amount as the Calculation Agent shall determine in its sole and absolute discretion.

For the purposes of this Schedule, "**Potential Adjustment Event**" means, in relation to any Reference Underlyings of any Reference Entity, any of the following:

- (i) a subdivision, consolidation or reclassification of such Reference Underlyings (unless a Merger Event) or a free distribution or dividend of any such Reference Underlyings to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution or dividend to existing holders of the Reference Underlyings of (a) Reference Underlyings or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Reference Entity equally or proportionately with such payments to holders of such Reference Underlyings or (c) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent (together with any Reference Underlyings received under sub-paragraph (i) of this definition, the "**Further Reference Underlyings**");
- (iii) an extraordinary dividend;
- (iv) a call in respect of such Reference Underlyings that are not fully paid;
- (v) a repurchase or redemption by the Reference Entity of Reference Underlyings whether out of profits or capital and whether the consideration for such repurchase or redemption is cash, securities or otherwise;
- (vi) an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Reference Entity pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of such Reference Underlyings.

3. **EXTRAORDINARY EVENTS**

If a Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting or Additional Disruption Event (each an "**Extraordinary Event**") occurs in relation to the Reference Underlyings or Reference Entity, as the case may be, the Calculation Agent acting in good faith may take the action described in (i) or (ii) below:

- (i) determine in good faith the appropriate adjustment, if any, to be made to the Number of Reference Underlyings and/or any of the other terms of these Terms and Conditions to account for the Extraordinary Event, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to (a) the adjustment in respect of the Extraordinary Event made by the exchange(s) or quotation system(s) as the Calculation Agent acting in good faith shall select (the "**Options Exchange**") to options on the Reference Underlyings traded on that options exchange; or (b) if options on such Reference Underlyings are not traded on the Options Exchange, the rules and precedents (if any) set by the Options Exchange to account for the Extraordinary Event that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (ii) having given an Early Redemption Notice to the Securityholders, redeem all, but not part only, of the Securities on the Early Redemption Date at their Early Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms.

Upon the occurrence of an Extraordinary Event, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 10 stating the occurrence of such Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto. However, Securityholders should be aware that there may be necessarily some delay between the time at which any of the above events occur and the time at which it is reported to Securityholders.

For the purposes of this Schedule,

"Additional Disruption Event" means a Change of Law or an Insolvency Filing:

"Change of Law" means that, on or after the Issue Date of the relevant Securities (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that (X) it has become illegal for the Issuer or a Hedge Provider to hold, acquire or dispose of Reference Underlyings or hedge position relating to such Securities, or (Y) it will incur a materially increased cost in performing its obligations under such Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Delisting" means the relevant Exchange announces that pursuant to the rules of such Exchange, the Reference Underlyings cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and such Reference Underlyings are no longer listed on an Exchange acceptable to the Issuer;

"Insolvency" means that at any time, by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or any analogous proceedings affecting the Reference Entity (i) all the Reference Underlyings of the Reference Entity are required to be transferred

to a trustee, liquidator or other similar official or (ii) holders of the Reference Underlyings become legally prohibited from transferring them;

"Insolvency Filing" means, in respect of a Reference Underlying, that the Calculation Agent determines that the relevant Reference Entity has instituted, or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or its consents to, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or its consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the relevant Reference Entity shall not be an Insolvency Filing;

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

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

"Nationalisation" means, in respect of any Reference Underlyings, that all the Reference Underlyings or all the assets or substantially all the assets of the Reference Entity are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof; and

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

4. CONSEQUENTIAL ADJUSTMENTS FOLLOWING A MATERIAL CHANGE

On or prior to the Maturity Date, if in the opinion of the Calculation Agent, the Reference Entity makes a material change (a "**Material Change**") to the terms of the Reference Underlying, then the Issuer may require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any of the Reference Price and/or Number of Reference Underlyings and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such change and determine the effective date of that adjustment. Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 10, stating the adjustment to the Reference Price, Reference Underlying and/or the Terms and Conditions and/or the applicable Final Terms and giving brief details of the event.

SCHEDULE 2

PROVISIONS RELATING TO INDEX LINKED SECURITIES

This Schedule shall apply to each Reference Underlying the classification of which is specified as "Index" in the applicable Final Terms.

For the avoidance of doubt, defined terms used in this Schedule shall only apply in respect of Index Linked Securities.

1. DEFINITIONS

"Disrupted Day" means, in respect of any Reference Underlying, any Scheduled Trading Day on which (i) the Sponsor fails to publish the level of the Reference Underlying or the Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

"Early Redemption Amount" means, in respect of each Security, subject to Conditions 5(f), 6 and this Schedule, in respect of a redemption pursuant to Condition 5(c), 5(d) or 5(e) only:

- (i) if "Participation Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith, as follows:

$$\text{Reference Level} \times \text{Index Currency Amount}$$

- (ii) if "Outperformance Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith, as follows:

$$\text{Reference Level} \times \text{Index Currency Amount} + [\text{Reference Level} \times \text{Index Currency Amount} \times \text{Outperformance Factor} \times (\text{D}/365) / 2]$$

Where:

"D" means the number of calendar days from (and including) the Issue Date to (and excluding) the Early Redemption Date; and

"Outperformance Factor" means the percentage specified as such in the applicable Final Terms, provided that if D is 30 or less, the Outperformance Factor shall be zero; or

- (iii) such other amount as specified in the applicable Final Terms,

provided that in respect of a redemption pursuant to any other Condition, the Early Redemption Amount shall be the Fair Market Value.

For the avoidance of doubt, the Early Redemption Amount may be zero.

"Exchange" means, in respect of any securities comprised in any Reference Underlying, the stock exchange(s) (from time to time) on which, in the determination of the Sponsor for the purposes of that Reference Underlying, such securities are listed.

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

"Index Currency Amount" has the meaning given to it in the applicable Final Terms.

"Market Disruption Event" means, in respect of any Reference Underlying, any of the following:

- (i) the occurrence or existence on any Scheduled Trading Day of any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) on any relevant Exchange(s) relating to (in the case of a Multi-Exchange Index) any security comprised in the Reference Underlying or (in the case of any other Reference Underlying) securities that comprise 20 per cent or more of the level of the Reference Underlying, or (ii) in futures or options contracts relating to the relevant Reference Underlying on any relevant Related Exchange, which, in either case, the Calculation Agent determines is material;
- (ii) the occurrence or existence on any Scheduled Trading Day of any event (other than an event described in sub-paragraph (iii) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, (in the case of a Multi-Exchange Index) any security comprised in the Reference Underlying on any relevant Exchange or (in the case of any other Reference Underlying) securities that comprise 20 per cent or more of the level of the Reference Underlying on any relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options relating to the relevant Reference Underlying on any relevant Related Exchange, which, in either case, the Calculation Agent determines is material;
- (iii) the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; or
- (iv) the inability of the Issuer or any of its Affiliates to unwind its hedge or related trading position relating to the Securities, due to illiquidity, which the Calculation Agent determines is material,

provided that, in the case of a Multi-Exchange Index, the securities comprised in the Reference Underlying in respect of which any of the events above occurs or exists amount, in the determination of the Calculation Agent, in aggregate to 20 per cent. or more of the level of the Reference Underlying. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the relevant Reference Underlying at any time, then the relevant percentage contribution of that security to the level of the relevant Reference Underlying shall be based on a comparison of (x) the portion of the level of the relevant Reference Underlying attributable to that security and (y) the overall level of the

relevant Reference Underlying, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

"Multi-Exchange Index" means any Reference Underlying in respect of which there is more than one Exchange.

"Redemption Amount" means, subject to Conditions 5(f), 6 and this Schedule, in respect of a redemption pursuant to Condition 5(b) only:

- (i) if "Participation Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith, as follows:

Reference Level x Index Currency Amount

- (ii) if "Outperformance Securities" is specified as applicable in the Final Terms, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent, acting in good faith, as follows:

Reference Level x Index Currency Amount + [Reference Level x Index Currency Amount x Outperformance Factor x (C/365)]

Where:

"C" means the number of calendar days from (and including) the Issue Date to (and excluding) the Maturity Date; and

"Outperformance Factor" means the percentage specified as such in the applicable Final Terms; or

- (iii) such other amount as specified in the applicable Final Terms,

provided that in respect of a redemption pursuant to any other Conditions, the Redemption Amount shall be the Fair Market Value.

For the avoidance of doubt, the Redemption Amount may be zero.

"Reference Underlying" means the index as specified in the applicable Final Terms.

"Reference Level" means, in relation to a Valuation Period and the Reference Underlying, subject to this Schedule and at the option of the Calculation Agent, the Calculation Agent's good faith determination of the arithmetic mean of the closing levels of the Reference Underlying (net of Costs (as defined in Condition 6)) which the Hedge Provider obtains in selling or otherwise realising the assets constituting the Reference Underlying or unwinding any relevant hedging arrangements (which will include any compensation or payment received by the Hedge Provider for or in lieu of the Reference Underlying or for unwinding any relevant hedging arrangements) held directly or indirectly by the Hedge Provider to hedge the Issuer's obligations in respect of the Securities during the Valuation Period or such other factors as the Calculation Agent shall determine.

"Related Exchange" means, in respect of the Reference Underlying, the Related Exchange(s), if any, specified in the applicable Final Terms, or other options or futures exchange(s) as the Calculation Agent may, in its absolute discretion, select and notify the

Securityholders in accordance with Condition 10 or, in any such case, any transferee or successor exchange, provided, however, that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Reference Underlying.

"Relevant Underlying Jurisdiction" means, in respect of a Reference Underlying, the country to which such Reference Underlying relates, as specified in the applicable Final Terms.

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

"Scheduled Trading Day" means, in respect of any Reference Underlying other than a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions and, in the case of a Multi-Exchange Index, any day on which the Sponsor publishes the level of the Reference Underlying and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

"Sponsor" means, in relation to any Reference Underlying, the corporation or other entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments if any, related to such Reference Underlying, and (b) announces (directly or through an agent) the level of such Reference Underlying on a regular basis during each Scheduled Trading Day failing whom such person acceptable to the Calculation Agent who calculates and announces the Reference Underlying or any agent or person acting on behalf of such person.

"Valuation Period" means the period comprising the five consecutive Business Days in the Determination City starting on (and including) the Valuation Date or as specified in the applicable Final Terms.

"Valuation Time" means the time with reference to which the Sponsor calculates the closing level of such Reference Underlying, or in either such case, such other time as the Calculation Agent may determine in its absolute discretion and notify to Securityholders in accordance with Condition 10.

2. INDEX ADJUSTMENT EVENT

- (a) If any Reference Underlying is (i) not calculated and announced by its Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent the same or a substantially similar formula for and method of calculation as used in the calculation of that Reference Underlying, then in each case that index (the **"Successor Reference Underlying"**) shall be deemed to be the Reference Underlying.
- (b) If in the determination of the Calculation Agent (i) on or before the Maturity Date or the Early Redemption Date (as the case may be) the Sponsor announces that it will make a material change in the formula for or the method of calculating any Reference Underlying or in any other way materially modifies any Reference Underlying (other than a modification

prescribed in that formula or method to maintain any Reference Underlying in the event of changes in constituent securities and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Reference Underlying and no Successor Reference Underlying exists (an "**Index Cancellation**") or (ii) on any date during the Valuation Period the Sponsor fails to calculate and announce the Reference Price, (an "**Index Disruption**") and together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**") then the Calculation Agent acting in good faith may take the action described in (i) or (ii) below:

- (i) determine the appropriate adjustment, if any, to be made to any of the other terms of these Terms and Conditions to account for the Index Adjustment Event, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to (a) the adjustment in respect of the Index Adjustment Event made by the exchange(s) or quotation system(s) as the Calculation Agent acting in good faith shall select (the "**Options Exchange**") to options on the Reference Underlyings traded on that options exchange; or (b) if options on such Reference Underlyings are not traded on the Options Exchange, the rules and precedents (if any) set by the Options Exchange to account for the Index Adjustment Event that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or
- (ii) having given an Early Redemption Notice to the Securityholders, redeem all, but not part only, of the Securities on the Early Redemption Date at their Early Redemption Amount specified in, or determined in the manner specified in, these Terms and Conditions and the applicable Final Terms.

Upon the occurrence of an Index Adjustment Event, the Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 10 stating the occurrence of such Index Adjustment Event, giving details thereof and the action proposed to be taken in relation thereto. However, Securityholders should be aware that there may be necessarily some delay between the time at which any of the above events occur and the time at which it is reported to Securityholders.

3. **RESPONSIBILITY**

None of the Issuer, the Agents or the Calculation Agent shall have any responsibility in respect of any error or omission or subsequent corrections made in the calculation or announcement of any Reference Underlying, whether caused by negligence or otherwise.

DESCRIPTION OF CREDIT SUISSE AG

History and Structure

On 13th May, 2005, the two Swiss bank legal entities Credit Suisse and Credit Suisse First Boston merged. The merged bank, the Issuer, is a Swiss bank and joint stock corporation established under Swiss law and is a wholly owned subsidiary of Credit Suisse Group AG. The Issuer formed the basis for the integration of the banking business. The newly integrated global bank was launched on 1st January, 2006. It operates under a new single Credit Suisse brand. The structure of the Issuer is described below under “Business.”

Business

The Issuer is a global financial services company domiciled in Switzerland. Since 2006, the Issuer’s activities have been operated and managed in three operating segments. The information in and incorporated by reference into this Base Prospectus reflects that operational and management structure.

As one of the world’s leading financial services providers, the Issuer is committed to delivering its combined financial experience and expertise to corporate, institutional and government clients and high-net-worth individuals worldwide, as well as to retail clients in Switzerland. The Issuer serves a diverse range of clients through its three divisions, which cooperate closely to provide holistic financial solutions based on innovative products and specially tailored advice. Founded in 1856, the Issuer has a truly global reach today, with operations in over 50 countries and 47,400 employees from approximately 100 different nations.

Private Banking

In Private Banking, the Issuer offers comprehensive advice and a broad range of wealth management solutions, including pension planning, life insurance products, tax planning and wealth and inheritance advice, which are tailored to the needs of high-net-worth and ultra-high-net-worth individuals worldwide. The Issuer supplies banking products and services to individual clients, including affluent, high-net-worth and ultra-high-networth clients, and corporates and institutions in Switzerland.

Investment Banking

In Investment Banking, the Issuer offers investment banking and securities products and services to corporate, institutional and government clients around the world. The Issuer’s products and services include debt and equity underwriting, sales and trading, mergers and acquisitions advice, divestitures, corporate sales, restructuring and investment research.

Asset Management

In Asset Management, the Issuer offers integrated investment solutions and services to institutions, governments and private clients. The Issuer provides access to a wide range of investment classes, building on its global strengths in alternative investments and traditional investment strategies.

Management of the Issuer

Name	Business address	Position held
Hans-Ulrich Doerig	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Chairman of the Board and the Chairman's and Governance Committee since April 2009. From 2003 to 2009 he served as Vice-Chairman of the Board and Chairman of the Risk Committee. Expiration of Term of Office/Re-election: Annual General Meeting 2012. Vice-Chairman of the Group Executive Board from 1998 to 2003. Group Chief Risk Officer from 1998 to 2002. Other board memberships include Bühler AG Uzwil since 2004, and the Board of the University of Zurich since 1998 and the Zurich University Hospital since 2006.
Peter Brabeck Letmathe	Nestlé S.A. Avenue Nestlé 55 1800 Vevey Switzerland	Vice-Chairman of the Board since 2008 (a function he held from 2000 to 2005). Member of the Board since 1997. Member of the Chairman's and Governance Committee and the Compensation Committee since 2008 (both functions he held from 2003 to 2005 and 2000 to 2005 respectively). Expiration of Term of Office/Re-election: Annual General Meeting 2011. Chairman of Nestlé S.A., Vevey, since 2005, member of the Board since 1997, Vice-Chairman from 2001 to 2005 and Chief Executive Officer from 1997 to 2008. Other board memberships include L'Oréal S.A., Paris, since 1997, and Roche Holding S.A., Basle since 2000.
Urs Rohner	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Vice-Chairman of the Board since April 2009 and member of the Chairman's and Governance Committee and the Risk Committee. Member of the Executive Boards of the Issuer from 2004 to 2009, General Counsel of Credit Suisse Group AG from 2004 to 2009 and Chief Operating Officer and General Counsel of the Issuer from 2006 to 2009. Expiration of Term of Office/Re-election: Annual General Meeting 2012. Member of the Board of the Zurich Opera

Name	Business address	Position held
Noreen Doyle	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	House. Member of the Board since 2004. Member of the Risk Committee since 2009 (and previously from 2004 to 2007). From 2007 to 2009 she served as a member of the Audit Committee. Expiration of Term of Office/Re-election: Annual General Meeting 2010.
Walter B. Kielholz	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	First Vice President and Head of Banking of the European Bank for Reconstruction and Development (EBRD) from 2001 to 2005. Other board memberships include Newmont Mining Corporation, QinetiQ Group plc. and Rexam plc (all since 2005). Member of the Board since 1999 and a member of the Compensation Committee since 2009. He served as Chairman of the Board of Directors and the Chairman's and Governance Committee of Credit Suisse Group AG from 2003 to April 2009. Expiration of Term of Office/Re-election: Annual General Meeting 2012.
Andreas N. Koopmann	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Chief Executive Officer of Swiss Reinsurance Company from 1997 until 31st December 2002, member of the Board since 1998, Executive Vice-Chairman since 2003, Vice-Chairman since 2007 and Chairman of the Board since 1st May 2009. Member of the Board and member of the Risk Committee (since April 2009). Expiration of Term of Office/Re-election: Annual General Meeting 2012. Former CEO of Bobst Group S.A., Lausanne from 1995 to May 2009 and member of the Board from 1998 to 2002. Other board memberships include Nestlé S.A., Vevey (as 1st Vice-Chairman and member of the Chairman's and Corporate Governance Committee) and Swissmenn (as Vice-Chairman).
Jean Lanier	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Member of the Board of Directors since 2005. Member of the Audit Committee since 2005. Expiration of Term of Office/Re-

Name	Business address	Position held
		election: Annual General Meeting 2011.
		Former Chairman of the Managing Board and Group Chief Executive Officer of Euler Hermes, Paris, from 1998 to 2004. Other board memberships include France Essor since 1991 and Paris Re Holdings Ltd since 2006.
Anton van Rossum	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Member of the Board of Directors since 2005. Member of the Risk Committee since 2008. Expiration of Term of Office/Re-election: Annual General Meeting 2011.
		Chief Executive Officer of Fortis from 2000 to 2004. Other board memberships include Solvay S.A., Brussels since 2006, Rodamco Europe, Rotterdam since 2007 and Vopak NV, Rotterdam since 2007 where he has been Chairman since 2008.
Aziz R.D. Syriani	The Olayan Group 111 Poseidonos Avenue P.O. Box 70228 Glyfada, Athens 16610 Greece	Member of the Board since 1998. Chairman of the Compensation Committee since 2004. Member of the Chairman's and Governance Committee since 2003. Expiration of Term of Office/Re-election: Annual General Meeting 2010.
		President of The Olayan Group since 1978 and Chief Executive Officer since 2002. Other board memberships include Occidental Petroleum Corporation, Los Angeles since 1983.
David W. Syz	ecodocs AG Dufourstrasse 21 8702 Zollikon Switzerland	Member of the Board since 2004. Member of the Audit Committee since 2004. Expiration of Term of Office/Re-election: Annual General Meeting 2010.
		Former State Secretary and Head of State Secretariat for Economic Affairs from 1999 to 2004.
		Other board memberships include Huber & Suhner AG, Pfäffikon since 2004 (Chairman since 2005) and Chairman of ecodocs AG, Zollikon since 2004.
Ernst Tanner	Lindt & Sprüngli AG Seestrasse 204 8802 Kilchberg	Member of the Board of Directors since 2002. Member of the Audit Committee since April 2009. From 2003 to April 2009 he

Name	Business address	Position held
Richard E. Thornburgh	Switzerland Corsair Capital LLC 717 Fifth Avenue New York, NY 10022, USA	<p>served as a member of the Risk Committee. Expiration of Term of Office/Re-election: Annual General Meeting 2011.</p> <p>Chairman and Chief Executive Officer of Lindt & Sprüngli AG, Kilchberg since 1994 and 1993 respectively. Other board memberships include The Swatch Group, Biel since 1995.</p> <p>Member of the Board since 2006. Chairman of the Risk Committee since April 2009 (member since 2006) and member of the Chairman's and Governance Committee. Expiration of Term of Office/Re-election: Annual General Meeting 2012.</p> <p>Vice-Chairman of Corsair Capital, a private equity investment company (since 2006).</p> <p>Member of the Executive Board of Credit Suisse First Boston (from 1997 to 2005). Executive Vice Chairman of Credit Suisse First Boston Division since 2004. Instrumental in the creation of the integrated bank.</p> <p>Member of the Group Executive Board from 1997 to 2005. Chief Risk Officer of Credit Suisse Group AG from 2003 to July 2004.</p> <p>Other board memberships include NewStar Financial Inc., Boston since 2006 and Sparta Insurance, Hartford CT since 2007.</p>
John Tiner	Resolution Operations LLP 1 Berkley Street London W1J 8DJ United Kingdom	<p>Member of the Board and member of the Audit Committee since April 2009. Expiration of Term of Office/Re-election: Annual General Meeting 2012.</p> <p>CEO of Resolution Operations LLP since 2008. Former CEO of the UK Financial Services Authority (FSA) from 2003 to 2007.</p>
Peter F. Weibel	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>Member of the Board since 2004. Member of the Chairman's and Governance Committee and Chairman of the Audit Committee since 2004. Expiration of Term of Office/Re-election: Annual General Meeting 2010.</p>

Name	Business address	Position held
		Former Chief Executive Officer of PricewaterhouseCoopers AG until 2003.
Honorary Chairman of the Board of the Issuer Rainer E. Gut	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Honorary Chairman of the Board of Credit Suisse Group AG since 2000. Chairman of the Board of Credit Suisse Group AG from 1986 to 2000.

Executive Board of the Issuer

The Executive Board is responsible for the day to day operational management of the Issuer. It develops and implements the strategic business plans for the Issuer overall as well as for the principal businesses subject to approval by the Board of Directors. It further reviews and coordinates significant initiatives, projects and business developments in the divisions and regions or in the Shared Services functions and establishes group-wide policies.

As of 26th June, 2009, the members of the Executive Board were:

- Brady W. Dougan (Chief Executive Officer)
- Walter Berchtold
- Paul Calello
- Romeo Cerutti
- Renato Fassbind
- Tobias Guldemann
- Hans Ulrich Meister
- Kai S. Nargolwala
- Robert Shafir
- Eric M. Varvel
- Karl Landert

Information concerning each of the members of the Executive Board is set out below:

Name	Business address	Position held
Brady W. Dougan	Credit Suisse AG Paradeplatz 8 8001 Zurich Switzerland	Chief Executive Officer of the Issuer since May 2007. Prior to this he was Chief Executive Officer Investment Banking at the Issuer and Chief Executive Officer Credit

Name	Business address	Position held
		Suisse Americas.
		Chief Executive Officer Credit Suisse First Boston Division from May 2005 to year-end. Chief Executive Officer of Credit Suisse First Boston from July 2004 to May 2005. Co-President, Institutional Securities of Credit Suisse First Boston from 2002 to July 2004.
		Member of the Executive Board since 2003.
Walter Berchtold	Credit Suisse AG Paradeplatz 8 8001 Zurich Switzerland	Chief Executive Officer Private Banking at the Issuer since January 2006. Between May 2005 and year-end 2005, Chief Executive Officer of the Credit Suisse Division at the Issuer. Chief Executive Officer of the Issuer from July 2004 to May 2005.
		Chief Executive Officer of Banking at Credit Suisse Financial Services from April 2004 to July 2004. Head of Trading & Sales at Credit Suisse Financial Services from 2003 to July 2004. Member of the Executive Board since 2003.
Paul Calello	Credit Suisse AG 11 Madison Avenue New York NY 10010 United States	Chief Executive Officer Investment Banking since May 2007. Prior to that he was Chief Executive Officer Credit Suisse Asia Pacific from 2006 and Chairman and Chief Executive Officer of the Asia Pacific region of Credit Suisse First Boston from 2002 to 2005.
		Member of the Executive Board since 2004.
Romeo Cerutti	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Group General Counsel and a member of the Group Executive Board since April 2009. General Counsel Private Banking from 2006 to 2009. Global Co-Head Compliance Credit Suisse from 2008-2009.
Renato Fassbind	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Chief Financial Officer of Credit Suisse Group AG since August 2004 and of the Issuer since May 2005.
		Member of the Executive Board since 2004.
Tobias Guldemann	Credit Suisse Group AG Paradeplatz 8 8001 Zurich	Group Chief Risk Officer since July 2004. Chief Risk Officer of the Issuer since June 2009. Member of the Executive Board since

Name	Business address	Position held
	Switzerland	2004.
Hans Ulrich Meister	Credit Suisse AG Paradeplatz 8 8001 Zurich Switzerland	Chief Executive Officer Credit Suisse Switzerland and Head of Private and Business Banking Switzerland since September 2008. Member of the Executive Board since September 2008.
Kai S. Nargolwala	Credit Suisse AG Two Exchange Square 8 Connaught Place Hong Kong People's Republic of China	Chief Executive Officer Credit Suisse Asia Pacific since January 2008. Member of the Executive Board since January 2008. Member of the Board of Singapore Telecommunications Ltd since 2006 and a Fellow of the Institute of Chartered Accountants in England and Wales.
Robert Shafir	Credit Suisse AG 11 Madison Avenue New York NY 10010 United States	Chief Executive Officer Asset Management since April 2008 and Chief Executive Officer of the Americas Region for Credit Suisse since August 2007. He has been a member of the Executive Board since 2007 and chairs the Americas CEO Management Committee.
Eric M. Varvel	Credit Suisse AG One Cabot Square London E14 4QJ United Kingdom	Chief Executive Officer Credit Suisse Europe, Middle East and Africa and a member of the Executive Board since February 2008.

There are no conflicts of interest between the private interests or other duties of the Directors and members of the Executive Board listed above and their respective duties to the Issuer.

Audit Committee

The Audit Committee of the Issuer consists of not less than three members, all of whom must be independent pursuant to its charter. The current members are:

- Peter F Weibel (Chairman)
- Jean Lanier
- David W. Syz
- Ernst Tanner
- John Tiner

The Audit Committee has its own charter, which has been approved by the Board. In accordance with its charter, the members of the Audit Committee are subject to additional independence requirements, exceeding those that apply to other members of the Board. None of the Audit Committee members may be an affiliated person of the Group or may, directly or indirectly, accept any consulting, advisory or other compensatory fees from the Group other than their regular compensation as members of the Board and its committees. The Audit Committee charter stipulates that all Audit Committee members must be financially literate. In addition, they may not serve on the audit committee of more than two other companies, unless the Board deems that such membership would not impair their ability to serve on the Issuer Audit Committee.

Corporate Governance

The Issuer adheres to the principles set out in the Swiss Code of Best Practice including the appendix stipulating recommendations on the process around setting compensation for the Board of Directors and the Executive Board. In addition, the Issuer adheres to the Swiss Code of Obligations which aims at increasing transparency in the area of compensation disclosure.

Incorporation, Legislation, Legal Form, Duration, Name, Registered Office, Headquarters

The Issuer was incorporated under Swiss law as a corporation (Aktiengesellschaft) under the name Credit Suisse, with unlimited duration, on 5th July, 1856 in Zurich, Switzerland and is registered with the Commercial Registrar of the Canton of Zurich under the number CH-020.3.923.549-1. The Issuer is a wholly owned subsidiary of Credit Suisse Group AG. The Issuer's registered head office is located at Paradeplatz 8, CH-8001, Zurich, Switzerland; its telephone number is +41 44 333 1111.

"Credit Suisse" has been renamed Credit Suisse AG effective 9th November, 2009. The addition of the legal descriptor "AG" will allow Credit Suisse AG to meet Swiss legal requirements. The legal entity and its operations and obligations will continue unaffected following the addition of the legal descriptor.

Business Purpose

Article 2 of the Issuer's Articles of Association dated as of 9th November 2009 states:

"2.1) The purpose of the Company is to operate as a bank. Its business covers all associated types of banking, finance, consultancy, service and trading activities in Switzerland and abroad.

2.2) The Company may form banks, finance companies and any other types of companies. It may also hold interests in and assume the management of such companies.

It may also enter into joint ventures with such companies to provide business services to third parties.

2.3) The Company may acquire, mortgage and sell real estate in Switzerland and abroad."

Auditors

The Issuer's statutory auditors are KPMG AG, Zurich, Badenerstrasse 172, CH-8026 Zurich, Switzerland. The Issuer's accounts as of 31st December, 2008 and 2007 and for each of the years in the three-year period ended 31st December 2008 were audited by KPMG Klynveld Peat Marwick Goerdeler SA, Zurich. KPMG AG assumed audit services for the Issuer in the beginning of 2009, following an internal restructuring of KPMG Switzerland, pursuant to which KPMG Klynveld Peat Marwick Goerdeler SA, Zurich ceased to provide audit services. References herein to KPMG refer to

KPMG AG or KPMG Klynveld Peat Marwick Goerdeler SA, Zurich, as appropriate. The mandate was first given to KPMG for the business year 1989/1990. The lead engagement partners are David L. Jahnke, Global Lead Partner (since 2005), and Philipp Rickert, Leading Bank Auditor (since 2006).

Capital adequacy

The following table sets forth the details for the Issuer of BIS data (risk-weighted assets, capital and ratios):

31st December (CHF million, except where indicated)	2008	2007
Credit risk	169,561	240,843
Non-counterparty-related risk	6,370	6,648
Market risk	39,108	33,869
Operational risk	30,137	29,197
Risk-weighted assets	245,176	310,557
Eligible capital		
Total shareholder's equity	26,868	31,334
Goodwill and intangible assets	(8,785)	(10,210)
Hybrid instruments	11,897	3,514
Qualifying non-controlling interests	4,860	5,443
Capital deductions 50% from tier 1:	(484)	(2,004)
Other adjustments	(164)	1,751
Tier 1 capital	34,192	29,828
Tier 2 capital:		
Upper tier 2	3,581	3,759
Lower tier 2	10,550	9,309
Capital deductions 50% from tier 2	(484)	(2,004)
Tier 2 capital	13,647	11,064
Total eligible capital	47,839	40,892
Tier 1 ratio	13.9%	9.6%
Total capital ratio	19.5%	13.2%

Share Capital

As of 31st December, 2008, the Issuer had fully paid and issued share capital of CHF 4,399,665,200 comprised of 43,996,652 registered shares with a nominal value of CHF 100.00 per share. Each share is entitled to one vote. The Issuer has no warrants or convertible rights on its own shares outstanding.

On 17th June, 2008, 20th June, 2008 and 26th August, 2008, the Issuer created and increased new participation capital in the total amount of CHF 7,500, divided into 750,000 participation securities (Partizipationsscheine) with a nominal value of CHF 0.01 each.

Additional Information about the Issuer

Credit Suisse Group AG owns 100 per cent. of the Issuer. The Issuer prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The Issuer does not prepare its accounts in accordance with International Financial Reporting Standards ("IFRS").

For further information about the Issuer, refer to the Credit Suisse Annual Report 2008 incorporated by reference in this Base Prospectus.

GENERAL DESCRIPTION OF THE PROGRAMME

The programme is a Programme for the issue of Underlying-linked Securities under which the Issuer may from time to time issue Securities linked to Reference Underlyings in accordance with and subject to all applicable laws and regulations and denominated in any currency, subject as set out herein. The applicable terms of any Securities will be agreed between the Issuer and the relevant Dealer prior to the issue of the Securities and will be set out in the Terms and Conditions of the Securities endorsed on, attached to, or incorporated by reference into, the Securities, as modified and supplemented by the applicable Final Terms attached to, or endorsed on, such Securities.

USE OF PROCEEDS

The net proceeds from each issue of Securities will be applied by the Issuer for its general corporate purposes. A substantial portion of the proceeds from the issue of certain Securities may be used to hedge market risk with respect to such Securities.

TRANSFER AND SELLING RESTRICTIONS

Transfer Restrictions

As a result of the following restrictions, purchasers of Securities in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Securities.

In the case of Securities offered or sold in reliance on Rule 144A, each purchaser of Rule 144A Global Securities (other than a person purchasing an interest in a Global Security with a view to holding it in the form of an interest in the same Rule 144A Global Security) or person wishing to transfer an interest from one Rule 144A Global Security to another or from global to definitive form or vice versa will be required to acknowledge, represent and agree to the following (terms used in this paragraph that are defined in Rule 144A are used herein as defined therein):

- (i) that it is a QIB, purchasing (or holding) the Securities for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A;
- (ii) that the Securities are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Securities have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (iii) that, if in the future it decides to resell, pledge or otherwise transfer the Securities or any beneficial interests in the Securities, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Securities, only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available), (e) to an institutional "accredited investor" within the meaning of subparagraph (a) (1), (2), (3) or (7) of Rule 501 under the Securities Act that is acquiring the Securities for its own account or for the account of such an institutional "accredited investor" for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or (f) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws. If any resale or other transfer of the Securities is proposed to be made pursuant to clause (e) above, the transferor shall deliver (i) an IAI Investment Letter to the Registrar, which shall provide, among other things, that the transferee is an institutional "accredited investor" within the meaning of subparagraph (a) (1), (2), (3) or (7) of Rule 501 under the Securities Act, that it is acquiring such Securities for investment purposes and not for distribution in violation of the Securities Act, and that it will acquire Securities having a minimum purchase price of at least U.S.\$500,000 (or the approximate equivalent in another specified currency (as defined in the Agency Agreement)); and (ii) such other satisfactory evidence as the Issuer may reasonably require from the

transferor, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States, and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction;

- (iv) it will, and will require each subsequent holder to, notify any purchaser of the Securities from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;
- (v) that Securities initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Securities;
- (vi) that the Securities will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (5) TO AN INSTITUTIONAL ACCREDITED INVESTOR WITHIN THE MEANING OF SUBPARAGRAPH (A)(1), (2), (3) OR (7) OF RULE 501 UNDER THE SECURITIES ACT THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL ACCREDITED INVESTOR FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION THEREOF IN VIOLATION OF THE SECURITIES ACT OR (6) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; IF ANY RESALE OR OTHER TRANSFER OF THE SECURITIES IS PROPOSED TO BE MADE PURSUANT TO CLAUSE

(5) ABOVE, THE TRANSFEROR SHALL DELIVER A LETTER SUBSTANTIALLY IN THE FORM SET OUT IN SCHEDULE 4 TO THE AGENCY AGREEMENT TO THE REGISTRAR, WHICH SHALL PROVIDE, AMONG OTHER THINGS, THAT THE TRANSFEREE IS AN INSTITUTIONAL ACCREDITED INVESTOR WITHIN THE MEANING OF SUBPARAGRAPH (A) (1), (2), (3) OR (7) OF RULE 501 UNDER THE SECURITIES ACT, THAT IT IS ACQUIRING SUCH SECURITIES FOR INVESTMENT PURPOSES AND NOT FOR DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, AND THAT IT WILL ACQUIRE SECURITIES HAVING A MINIMUM PURCHASE PRICE OF AT LEAST U.S.\$500,000 (OR THE APPROXIMATE EQUIVALENT IN ANOTHER SPECIFIED CURRENCY (AS DEFINED IN THE AGENCY AGREEMENT)) AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

"THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON)."; and

- (viii) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Securities as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Securities containing the legend in (vi) above (a "**Legended Security**") in the United States to any one QIB will be for less than U.S.\$100,000 (or its foreign currency equivalent) nominal amount, and no Legended Security will be issued in connection with such a sale in a smaller nominal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) nominal amount of Global Securities.

Selling Restrictions

No action has been or will be taken by the Issuer, the Arranger or the Dealers that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction where action for that purpose is required. No offer, sale or delivery of the Securities, or distribution or publication of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer.

United States of America

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Securities may be resold to QIBs pursuant to Rule 144A, and each such purchaser of Securities is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate nominal amount of Securities which may be purchased by a QIB pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Securities and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Dealers selling Securities pursuant to Rule 144A under the Securities Act ("**144A Dealers**") may sell Securities to any affiliate of any 144A Dealer and any such affiliate may sell Securities purchased by it to any other 144A Dealer. In connection with each such sale of Securities pursuant to Rule 144A under the Securities Act, (a) each 144A Dealer will deliver at or prior to settlement a Base Prospectus and the applicable Final Terms to each qualified institutional buyer purchasing a Security or Securities from it pursuant to Rule 144A under the Securities Act, and (b) each 144A Dealer will only sell to such purchaser, for such purchaser's own account or for any separate account for which it is acting, Securities having an aggregate nominal amount of not less than U.S. \$100,000 (or its equivalent rounded upwards as specified in the applicable Final Terms).

United Kingdom

All applicable provisions of the FSMA must be complied with respect to anything done in relation to the Securities in, from or otherwise involving the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) may only be communicated or caused to be communicated in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA would not, if the Issuer were not an authorised person, apply to the Issuer.

Hong Kong

The Securities have not been offered or sold, and will not be offered or sold, in Hong Kong, by means of any document, other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent) or (ii) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) (the "CO"), or (iii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) (the

"SFO") and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO.

No person has issued, or had in its possession for the purposes of issue, and no person will issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Securities which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Korea

The Securities may not be directly or indirectly offered, sold or delivered in Korea or to others for re-offering or re-sale directly or indirectly in Korea except as otherwise permitted by applicable Korean laws and regulations, and where the Securities are linked to shares of the companies incorporated in Korea that are listed on the Korean Stock Exchange and quoted in Korean Won, the Securities may not be directly or indirectly offered, sold or delivered to any person with Korean nationality (whether resident in Korea or not) or to any resident of Korea, or to others for re-offering or re-sale directly or indirectly to any person with Korean nationality (whether resident in Korea or not) or to any resident of Korea.

Taiwan

The Securities may not be sold offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase by such investors outside Taiwan and/or (ii) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products under which rules the Securities have been registered in Taiwan.

Where the securities are linked to Taiwanese Reference Underlyings, the Securities may only be made available for purchase outside of Taiwan by investors residing in Taiwan or the PRC that are not otherwise prohibited from investing in the Securities under relevant Taiwan laws and regulations and in circumstances where the funds invested in the Securities do not come from Taiwan or the PRC. The Securities may not be offered, sold or delivered in Taiwan.

Securities linked to A-Shares may be made available, outside Taiwan, to Taiwan resident investors otherwise legally permitted to invest in such products so long as such investors are not investing therein for purposes of gaining or exercising control or influence, directly or indirectly, over the management of any such shares, Reference Entities or Sponsors but are not permitted to be offered, marketed, sold or issued in Taiwan.

Malaysia

No prospectus in relation to the Securities has been registered with the Securities Commission of Malaysia ("SC") pursuant to the Capital Markets and Services Act 2007 of Malaysia ("CMSA"). The Securities shall not be offered for subscription or sold, directly or indirectly, nor may an invitation or offer to subscribe for or sell such Securities in Malaysia unless such offer or invitation has been approved by the SC or is otherwise exempted under Schedule 5 of CMSA, and it is exclusively made to persons specified under Schedules 6 and 7 of the CMSA, which shall include, *inter alia*, sophisticated investor, holder of capital markets services license and persons outside Malaysia.

India

This Base Prospectus has not been and will not be registered as a prospectus with the Registrar of Companies and the Securities will not be offered or sold in India, nor has any other offering document or material relating to the Securities, directly or indirectly, been circulated to any members of the public in India. In addition, Securities linked to any Indian Reference Underlyings may not be offered, sold or delivered, or offered, sold or delivered to any person for reoffering, resale or redelivery, in any such case directly or indirectly, in India or to any of the Prohibited Persons (as defined in Condition 7).

Vietnam

The Securities may not be offered, sold or delivered in the Socialist Republic of Vietnam unless otherwise permitted by the applicable laws and regulations of the Socialist Republic of Vietnam.

Pakistan

The Securities are not being offered or sold and may not be offered or sold directly or indirectly in Pakistan, to residents of Pakistan or to or for the account or benefit of, any such persons.

Singapore

This Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore and the Securities will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, this Base Prospectus, any applicable Final Terms relating to any Securities and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the SFA, (b) to a relevant person under Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Each of the following persons specified in Section 275 of the SFA which has subscribed or purchased Securities, namely a person who is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA))) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Securities under Section 275 of the SFA except:

- (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or to any person pursuant to Section 275(1) and Section 275(1A) of the SFA, respectively and in accordance with the conditions, specified in Section 275 of the SFA;

- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or.
- (4) pursuant to Section 276(7) of the SFA.

People's Republic of China

The Securities may not be offered, sold or delivered, directly or indirectly, in the People's Republic of China (excluding Hong Kong, Macau and Taiwan) (the "**PRC**") and, if the Securities are linked to A-Shares (as defined below), to any Domestic Investor as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited.

"**A-Share**" means shares of the companies incorporated in the PRC that are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange and quoted in Renminbi.

The term "**Domestic Investor**" is defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited and includes the following:

- (i) PRC citizens who are not permanent residents of another country or region or permanent residents of Hong Kong, Macau or the Taiwan; and
- (ii) Legal persons registered in the PRC (excluding Hong Kong, Macau and Taiwan).

"**Legal persons registered in the PRC**" excludes foreign entities incorporated or organised in other jurisdictions even though they may have an office (i.e. a branch) in the PRC.

"**PRC citizens**" used in the rules do not include persons who are permanent residents of Hong Kong, Macau or Taiwan.

"**Renminbi**" means the lawful currency of the PRC.

Switzerland

The Securities will be offered and sold in accordance with practices and documentation customary in Switzerland and the issuance of the Securities is subject to guidelines or restrictions imposed by governmental, banking or securities authorities in Switzerland.

Public Offer Selling Restriction under the Prospectus Directive

Unless otherwise provided in this "Selling Restrictions", in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") no Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto shall be offered or will be offered to the public in that Relevant Member State except that, with effect from and including the Relevant Implementation Date, such Securities may be offered to the public in that Relevant Member State:

- (a) if the final terms in relation the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospective Directive in the Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant Member

State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

The offer and sale of the Securities will also be subject to such other restrictions on distribution and transfer as may be set out in the applicable Final Terms.

TAXATION

General Taxation Information

The following information provided below does not purport to be a complete summary of the tax law and practice currently available. Potential purchasers of Securities are advised to consult their own tax advisers as to the tax consequences of transactions involving Securities. The following description of tax law is based upon the law and regulations as in effect on the date of this Base Prospectus and is subject to any amendments in such law and regulations introduced at a later date, whether or not on a retroactive basis.

Nassau - The Bahamas

Under the laws of the Bahamas, there is currently no withholding tax on payments of principal, premium or interest, nor on accrued but unpaid interest, in respect of the Securities.

Switzerland

According to the present Swiss law and practice of the Swiss Federal Tax Administration, payments of interest on Securities will not be subject to Swiss withholding tax.

Luxembourg

Withholding Tax

(i) Non-resident Securityholders

Under Luxembourg general tax laws currently in force and subject to the laws of 21st June, 2005 (the "**Laws**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident Securityholders, nor on accrued but unpaid interest in respect of the Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Securities held by non-resident Securityholders.

Under the Laws implementing the Council Directive 2003/48/EC of 3rd June, 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 20% and will be levied at a rate of 35% as of 1st July, 2011. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the Laws would at present be subject to withholding tax of 20%.

(ii) *Resident Securityholders*

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December, 2005, as amended (the "**Law**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Securityholders, nor on accrued but unpaid interest in respect of Securities, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by Luxembourg resident Securityholders.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Securities coming within the scope of the Law would be subject to withholding tax of 10%.

Income Taxation - Non-resident Securityholders

A non-resident corporate Securityholder or an individual Securityholder acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which such Securities are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Securities and on any gains realised upon the sale or disposal, in any form whatsoever, of the Securities.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), Member States, including Belgium from 1 January 2010, are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15th September, 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the European Commission's advice on the need for changes to the EU Savings Directive. On 13th November, 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment of the Programme and the issue of the Securities.

Approval, Listing and Admission to Trading

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

Securities may be issued under the Programme which are not listed or admitted to trading, as the case may be, on the Luxembourg Stock Exchange or any other stock exchange or market or Securities may be issued which are listed or admitted to trading, as the case may be, on such other stock exchange or markets as the Issuer may decide.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in Hong Kong and Luxembourg:

- (i) the Articles of Association of the Issuer;
- (ii) the audited consolidated financial statements of the Issuer in respect of the financial years ended 31st December, 2008 and 2007. Non consolidated financial statements are not published;
- (iii) the most recently published audited annual financial statements of the Issuer and the most recently published semi-annual interim financial statements of the Issuer;
- (iv) the Agency Agreement, the Deed of Covenant and the forms of the Global Securities and the Securities in definitive form;
- (v) a copy of this Base Prospectus; and
- (vi) any future offering circulars, prospectuses, information memoranda, supplements and Final Terms (save that a Final Terms relating to an unlisted Security will only be available for inspection by a holder of such Security and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Securities and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

In addition, copies of this Base Prospectus, each Final Terms relating to Securities which are admitted to trading on the Luxembourg Stock Exchange's regulated market and each document incorporated by reference are available on the Luxembourg Stock Exchange's website at www.bourse.lu.

Clearing Systems

The Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Securities allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Securities are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

The price and amount of Securities to be issued under the Programme will be determined by the Issuer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

Save as disclosed under "Documents incorporated by reference" and "Description of Credit Suisse" in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 30th September, 2009 and there has been no material adverse change in the financial position or prospects of the Issuer since 31st December, 2008.

Litigation

Save as disclosed under "Documents incorporated by reference" and "Description of Credit Suisse" in this Base Prospectus, neither the Issuer any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Auditors

The auditors of the Issuer are KPMG who have audited the Issuer's accounts, without qualification, in accordance with United States generally accepted accounting principles for each of the two financial years ended on 31st December, 2008 and 2007. KPMG is a member of the Swiss Institute of Certified Accountants and Tax Consultants. The auditors of the Issuer have no material interest in the Issuer.

Post-issuance information

The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

Dealers transacting with the Issuer

Credit Suisse Securities (Europe) Limited and Credit Suisse (Hong Kong) Limited are indirect subsidiaries of the Issuer.

ISSUER

Credit Suisse, acting through its Nassau Branch

Uetlibergstrasse 231
PO BOX 900, CH-8070
Zurich
Switzerland

and

Bahamas Financial Centre
4th Floor
Charlotte and Shirley Street
Nassau

**ARRANGER, DEALER, PRINCIPAL PAYING AGENT,
CALCULATION AGENT, REGISTRAR AND TRANSFER AGENT**

Credit Suisse (Hong Kong) Limited

45th Floor
Two Exchange Square
Central
Hong Kong

**DEALER, PRINCIPAL PAYING AGENT,
CALCULATION AGENT, REGISTRAR AND TRANSFER AGENT**

Credit Suisse Securities (Europe) Limited

One Cabot Square
London E14 4QJ
United Kingdom

LUXEMBOURG PAYING AGENT AND LUXEMBOURG TRANSFER AGENT

Dexia Banque Internationale à Luxembourg, société anonyme

69 route d'Esch
L-2953 Luxembourg

LEGAL ADVISERS TO THE ARRANGER

Allen & Overy

9th Floor
Three Exchange Square
Central
Hong Kong