

**PROSPECTUS SUPPLEMENT NO. 1 DATED 16 OCTOBER 2014
TO THE BASE PROSPECTUS DATED 14 AUGUST 2014**

CREDIT SUISSE AG

(incorporated with limited liability in Switzerland)

“PARTICIPATION-NOTES”

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

This supplement (the “**Supplement**”) constitutes a supplement for the purposes of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and for the purposes of Article 13 of Chapter 1 of Part II of the Luxembourg Law of 10 July 2005 on Prospectuses for Securities, as amended (the “**Prospectus Law**”) implementing the Prospectus Directive.

This Supplement is supplemental to, forms part of, and must be read in conjunction with the base prospectus (the “**Base Prospectus**”) dated 14 August 2014, as approved by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) on that date, and as prepared by Credit Suisse AG, acting through its Nassau Branch (the “**Issuer**”) for the issue of Underlying-linked Securities (the “**Programme**”). The purpose of this Supplement is to effect certain amendments to the terms and conditions of the Securities and the form of final terms in light of the introduction of the China Connect Service (as defined in the terms and conditions as amended below), and the make corresponding changes to the risk factors and selling restrictions. **These amendments shall only apply to Securities issued under final terms with a date falling on or after the approval of this Supplement.**

The Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

For the purposes of this Supplement, unless the context otherwise requires, the terms “**CS**” and “**the Bank**” mean Credit Suisse AG, the Swiss bank subsidiary of the Group, and its consolidated subsidiaries, and the terms “**CSG**” and “**the Group**” mean Credit Suisse Group AG and its consolidated subsidiaries. The business of CS is substantially similar to that of CSG, and CS is consolidated in the financial statements of CSG.

The credit ratings of the Bank and the Group referenced in documents incorporated by reference into the Base Prospectus have been issued, for the purposes of Regulation (EC) No 1060/2009 as amended by Regulation (EU) No 513/2011 and Regulation (EC) No 462/2013 (the “**CRA Regulation**”), by Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), Fitch Ratings Ltd. (“**Fitch**”) and Moody’s Investors Service, Inc. (“**Moody’s Inc**”). S&P and Fitch are both established in the European Union and registered under the CRA Regulation, as set out in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (“**ESMA**”) – <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>. Moody’s Inc is not established in the European Union and has not applied for registration under the CRA Regulation. In general, and subject to certain exceptions (including the exception outlined below), European regulated investors are restricted from using a credit rating for regulatory purposes if such a credit rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

Subject to the fulfilment of the conditions set out in Article 4(3) of the CRA Regulation, a credit rating agency established in the European Union and registered in accordance with the CRA Regulation (an “EU CRA”) may endorse (for regulatory purposes in the European Union) credit ratings issued outside the European Union where (i) the credit rating activities resulting in the issuing of the credit rating are undertaken in whole or in part by a credit rating agency or credit rating agencies belonging to the same group (a “non-EU CRA”); and (ii) the EU CRA has verified and is able to demonstrate on an ongoing basis to ESMA that the conduct of the credit rating activities by the non-EU CRA resulting in the issuing of the credit rating to be endorsed fulfils requirements which are “at least as stringent as” the requirements of the CRA Regulation. On 15 March 2012, ESMA announced that it considers the regulatory framework for credit rating agencies in the United States to be “as stringent as” the requirements of the CRA Regulation. Moody’s Investors Service Limited (which has been registered under the CRA Regulation and appears on the list of registered credit rating agencies on ESMA’s web site – <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) currently endorses credit ratings issued by Moody’s Inc for regulatory purposes in the European Union. There can be no assurance that Moody’s Investors Service Limited will continue to endorse credit ratings issued by Moody’s Inc.

Amendments to the Base Prospectus

Please note that ‘blacklined’ comparative versions of all the provisions of the Base Prospectus that are amended by this Supplement are included in the Appendix to this Supplement so that the reader may more easily follow the deletions and additions made to the existing provisions.

Risk Factors

1. The section on page 40 of the Base Prospectus entitled “Taxation” shall be deleted in its entirety and replaced with the following text:

“Taxation

Each investor 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 any Securityholders or investors 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 Securityholders or investors. 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 investor 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, or any PRC Share Security or PRC Index Security for which “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms. 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.”

2. The section on page 55 of the Base Prospectus entitled “Securities linked to PRC Reference Underlyings listed on PRC Stock Exchanges” shall be deleted in its entirety and replaced with the following text:

“Securities linked to PRC Reference Underlyings listed on PRC Stock Exchanges

A Hedge Provider may obtain exposure to a PRC Reference Underlying through the Qualified Foreign Institutional Investor (“QFII”) regime. Where this is the case, it should be noted that on 29 September 2009, the State Administration for Foreign Exchange (“SAFE”) issued the Provisions on the Foreign Exchange Administration of Domestic Securities Investment by Qualified Foreign Institutional Investors, which expressly prohibit a QFII (which may include the relevant Hedge Provider) from

transferring or selling its investment quota. There are regulatory uncertainties as to whether issuing or providing Hedging Arrangements for market access products is regarded as being in compliance with the relevant rules, which prohibit transferring or selling investment quota by a QFII. In addition, the China Securities Regulatory Commission and SAFE may implement further measures from time to time.

Alternatively, a Hedge Provider may obtain exposure to a PRC Reference Underlying through the China Connect Service. The China Connect Service is a securities trading and clearing programme which is being developed and which currently envisages the Hong Kong Stock Exchange providing order-routing and related services for certain securities traded on the Shanghai Stock Exchange, and the Shanghai Stock Exchange and Hong Kong Securities Clearing Company Limited providing clearing, settlement, depository and related services in relation to such securities. Unlike an investment through the QFII regime, a Hedge Provider need not be approved as a QFII and is not subject to an individual investment quota. Nonetheless, trading through the China Connect Service is expected to be subject to a number of restrictions including pre-trade checking requirements and aggregate and daily RMB quotas that apply to the market in general. The China Connect Service may also be disrupted or terminated. In addition, the China Connect Service is in its initial stages and accordingly further developments are likely.

There are also further regulatory uncertainties that apply in each case, including the taxes to which trades are subject. Each of the above factors may affect Securities with one or more PRC Reference Underlyings.”

Forms of Final Terms

1. Item 27 of the “Form of Final Terms Which Are Eligible For Retail Investors”, on page 70 of the Base Prospectus, shall be deleted in its entirety and replaced with the following text:

“27 Information relating to the Reference Underlyings:

- Reference Entity: [●]
- Security Code of the Reference Underlyings: [ISIN: [●]] [Bloomberg: [●]]
- Exchange: [●] [(China Connect)]
- Related Exchange: [●]/[All Exchanges]”

2. Item 33 of the “Form of Final Terms Which Are Eligible For Retail Investors”, on page 70 of the Base Prospectus, shall be deleted in its entirety and replaced with the following text:

“33 Information relating to the Basket Component Reference Underlyings:

- Reference Entity: [●] [●] [●]
- Security Code of the Basket Components: [ISIN: [●]] [ISIN: [●]] [ISIN: [●]] [Bloomberg: [●]] [Bloomberg: [●]] [Bloomberg: [●]]
- Exchange: [●] [(China Connect)] [●] [(China Connect)] [●] [(China Connect)]
- Related Exchange: [●] [●] [●]

[Alternatively, specify “All Exchanges”.]”

3. Item 38 of the “Form of Final Terms Which Are Eligible For Retail Investors”, on page 71 of the Base Prospectus, shall be deleted in its entirety and replaced with the following text:

“38 Information relating to the Reference Underlyings: [●]

- Code of the Reference Underlyings: [●] [(China Connect)]
- 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.]*”

4. Item 27 of the “Form of Final Terms Which Are Not Eligible For Retail Investors”, on page 85 of the Base Prospectus, shall be deleted in its entirety and replaced with the following text:

“27 Information relating to the Reference Underlyings:

- Reference Entity: [●]
- Security Code of the Reference Underlyings: [ISIN: [●]] [Bloomberg: [●]]
- Exchange: [●] [(China Connect)]
- Related Exchange: [●]/[All Exchanges]”

5. Item 33 of the “Form of Final Terms Which Are Not Eligible For Retail Investors”, on page 85 of the Base Prospectus, shall be deleted in its entirety and replaced with the following text:

“33 Information relating to the Basket Component Reference Underlyings:

- Reference Entity: [●] [●] [●]
- Security Code of the Basket Components: [ISIN: [●]] [Bloomberg: [●]] [ISIN: [●]] [Bloomberg: [●]] [ISIN: [●]] [Bloomberg: [●]]
- Exchange: [●] [(China Connect)] [●] [(China Connect)] [●] [(China Connect)]
- Related Exchange: [●] [●] [●]

[Alternatively, specify “All Exchanges”.]”

6. Item 38 of the “Form of Final Terms Which Are Not Eligible For Retail Investors”, on page 86 of the Base Prospectus, shall be deleted in its entirety and replaced with the following text:

“38 Information relating to the Reference [●]

Underlyings:

- Code of the Reference Underlyings: [●] [(China Connect)]
- 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.]”

General Terms and Conditions of the Securities

1. In Condition 5(a), the definition of “Hedging Disruption Event” on page 107 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“**Hedging Disruption Event**” means that, as determined by the Calculation Agent:

- (i) a Hedge Provider is restricted from taking or is unable to, after using commercially reasonable efforts, take any of the following actions: (A) acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any Hedging Arrangements or any other transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing and performing its obligations with respect to the Securities; or (B) realising, recovering or remitting the Hedge Proceeds or any other proceeds of any such transaction(s) or asset(s); or
- (ii) as a result of the implementation by the Reference 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 Reference Underlying Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), a Hedge Provider’s ability to hedge the Issuer’s obligations in respect of the Securities is materially affected.

Such event may occur as a result of, but not limited to, the redemption, termination or cancellation, if applicable, of the relevant Reference Underlyings for any reason (other than, if applicable, the exercise of the relevant Reference Underlyings in accordance with their normal terms).

For the avoidance of doubt, if “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms, for the purposes of this definition, “using commercially reasonable efforts” does not include the use of any quota granted to a Hedge Provider or its Affiliates under the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.”

2. In Condition 5(a), the definition of “Jurisdictional Event” on page 108 of the Base Prospectus shall be amended by the addition of the underlined words below (such underlining is illustrative for the purposes of this Supplement only):

“**Jurisdictional Event**” means:

- (i) any event which occurs, whether of general application or otherwise and which occurs as a result of present or future risks in or connected with the Reference Underlying Jurisdiction relating to the Securities, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls or capital controls, changes in laws or regulations and changes in the interpretation and/or enforcement

of laws and regulations (including, without limitation, those relating to taxation) and other legal and/or sovereign risks;

- (ii) the Calculation Agent determines that a Hedge Provider is not able to buy and/or sell any Reference Underlyings related to the Securities via a trading system commonly used within the relevant Reference Underlying Jurisdiction for these kind of Reference Underlyings (including, if “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms, the China Connect Service) or such trading system fails to calculate and publish the price of any Reference Underlyings on a day on which the Calculation Agent determines that such calculation and publication was otherwise expected to be made; or
- (iii) in relation to Securities in respect of which the Kingdom of Saudi Arabia is specified as (in respect of Securities not linked to a Basket) the Reference Underlying Jurisdiction or (in respect of Securities linked to a Basket) a Reference Underlying Jurisdiction in respect of a Basket Component, the Capital Market Authority (or any successor or equivalent body) of the Kingdom of Saudi Arabia has requested that any Hedge Provider terminates or otherwise modifies any Hedging Arrangements or imposes any qualitative or quantitative limitation or any other requirements in relation to any Hedging Arrangements, the Securities, the holders or any document or matter in relation thereto,

and in the case of (i) and (ii) which has or may have (as determined by the Calculation Agent) the effect of reducing or eliminating the value of the Hedge Proceeds at any time.”

3. Condition 6(c) on page 113 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

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

The Issuer shall include:

- (i) a charge on the redemption of any PRC Property Share Security or PRC Property Index Security in an amount equal to 10% of the Net Gain, and
- (ii) a charge on the redemption of any PRC Share Security or PRC Index Security for which “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms in an amount equal to an additional 5.6% of the Net Gain (together with the charge in (i) above, the “**Provisional Hedging Cost**”),

being an estimate of the PRC Tax to a Hedge Provider. However, should there be a clarification to the effect that any PRC Taxes will be exempted by the State Administration of Tax for any such PRC Share Security or PRC Index Security, then the corresponding portion of the Provisional Hedging Cost will not be withheld while such exemption is effective. Such Provisional Hedging Cost shall be deducted from the amount payable by the Issuer on redemption of the Securities.

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

4. Condition 6 shall be amended by the insertion of the following definitions after Condition 6(f), between the definition of “PRC Index Security” and “PRC Shares” on page 116:

““**PRC Property Index Security**” means any Security for which the Reference Underlying(s) are one or more PRC Indices and in respect of which the Hedging Arrangements involve the acquisition of PRC Property Share(s) which are a constituent asset of any such 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 Final Redemption Amount or the Early Redemption Amount, as the case may be.

“**PRC Property Share Security**” means any Security for which the Reference Underlying(s) are PRC Property Share(s) and in respect of which Hedging Arrangements involve the acquisition of such PRC Property Share(s).”

5. Condition 7(1)(viii) on pages 121-122 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“(viii) **PRC**. The Securityholder represents as a condition to purchasing or owning such Security or any beneficial interest therein that: (A) the Securityholder will not offer, sell or deliver, directly or indirectly, the Securities in the People’s Republic of China (excluding Hong Kong, Macau and Taiwan) (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 sub-paragraphs (1) to (8) below shall apply:

If there is any Reference Underlying in relation to which “China Connect” is not specified in the relevant Final Terms:

- (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 in contravention of the laws and regulations of the PRC;
- (4) the Securityholder is not a trustee of a trust the interests in which are majority-owned by, and the management decision over which is controlled by, one or more Domestic Investor(s) (a “**Trust**”). For the avoidance of doubt, in the case only where a Trust’s investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this definition by reason only of it being able to control the decision-making in relation to the entity’s financial, investment and/or operating policies;

If there is any Reference Underlying in relation to which “China Connect” is specified in the relevant Final Terms:

- (5) neither it nor any person for whose account or benefit the Securities are being purchased is a person holding a resident identification card of the PRC who is resident or domiciled in the PRC, or a legal entity incorporated or registered in the PRC;

For all PRC Share Securities and PRC Index Securities:

- (6) to the extent the Securityholder is incorporated, domiciled or resident in Taiwan or is owned or controlled by a person(s) or entity(ies), incorporated, domiciled or resident in Taiwan (collectively, a “**Taiwan Related Party**”), the Securityholder:
 - (x) confirms that it (a) is not prohibited by any applicable Taiwan law, regulation, self-regulatory guideline or policy applicable to dealings by Taiwan Related Parties with Mainland China (“**Cross Straits Rules**”) from purchasing the relevant Securities and (b) will, in making such purchase, be in full compliance

with any limitations under the Cross Straits Rules or otherwise on the amount, scope or nature of investments by him/her/it in Securities;

- (y) confirms that it is not acquiring the PRC Share Securities or PRC Index Securities for the purpose of gaining or exercising control or influence, directly or indirectly, over the management of any company incorporated in the PRC; and
 - (z) acknowledges and understands that it is the Securityholder's sole responsibility to determine, based on his/her/its own evaluation and advice from his/her/its professional advisors, that the purchase by him/her/it of Securities complies with the Cross Straits Rules and that it/he/she shall place no reliance whatsoever on the Issuer, any Dealer or its nominated affiliate in such regard;
- (7) 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), and the Securityholder undertakes not to offer, sell or deliver, directly or indirectly, the Securities in breach of the foregoing;
- (8) in the event that the Securities are transferred by the Securityholder, the Securityholder will ensure that the transferee makes the representations, confirmation and acknowledgements set out in sub-paragraphs (1) to (7) above and in this sub-paragraph (8)."

Schedule 1: Provisions Relating to Equity Linked Securities

1. The following additional defined terms shall be added to paragraph 1 of Schedule 1, starting on page 131 of the Base Prospectus in the appropriate position according to alphabetical order:

“**China Connect Business Day**” means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time.

“**China Connect Disruption**” means (i) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to a Reference Underlying on the Exchange or (ii) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of a Reference Underlying through the China Connect Service.

“**China Connect Early Closure**” means the closure on any China Connect Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (ii) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Valuation Time on such China Connect Business Day.

“**China Connect Service**” means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its Affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities.

“**CSDCC**” means China Securities Depository and Clearing Corporation Limited.”

2. In paragraph 1 of Schedule 1, the definition of “Disrupted Day” on pages 131-132 of the Base

Prospectus shall be deleted in its entirety and replaced with the following text:

“**Disrupted Day**” means:

- (a) if the Securities are not linked to a Basket, 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, (iii) if “China Connect” is specified in relation to a Reference Underlying in the relevant Final Terms, the China Connect Service fails to open for order-routing during its regular order-routing session or (iv) a Market Disruption Event has occurred, in each case, in respect of the Reference Underlying; or
 - (b) if the Securities are linked to a Basket, any Scheduled Trading Day on which (i) any 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, (iii) if “China Connect” is specified in relation to a Basket Component Reference Underlying in the relevant Final Terms, the China Connect Service fails to open for order-routing during its regular order-routing session or (iv) a Market Disruption Event has occurred, in each case, in respect of any of the Basket Component Reference Underlyings.”
3. The following additional defined term shall be added to paragraph 1 of Schedule 1 on page 135 of the Base Prospectus in the appropriate position according to alphabetical order:

“**HKSCC**” means the Hong Kong Securities Clearing Company Limited.”

4. In paragraph 1 of Schedule 1, the definition of “Exchange Business Day” on page 133 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“**Exchange Business Day**” means, in respect of a Reference Underlying, any Scheduled Trading Day (i) on which each Exchange and each Related Exchange in respect of such Reference Underlying are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms, which is a China Connect Business Day.”

5. In paragraph 1 of Schedule 1, the definition of “Market Disruption Event” on pages 135-136 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“**Market Disruption Event**” means, in respect of a Reference Underlying, any of the following:

- (a) 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 such Reference Underlying, which, in either case, the Calculation Agent determines is material;
- (b) the occurrence or existence on any Scheduled Trading Day of any event (other than an event described in sub-paragraph (c) 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, a Reference Underlying on the relevant Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options relating to such Reference Underlying on any relevant Related Exchange, which, in either case, the Calculation Agent determines is material;

- (c) 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
- (d) 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; and/or

if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms:

- (1) a China Connect Disruption which the Calculation Agent determines is material; or
- (2) a China Connect Early Closure.”

6. In paragraph 1 of Schedule 1, the definitions of “Scheduled Closing Time” and “Scheduled Trading Day” on page 137 of the Base Prospectus shall be deleted in their entirety and replaced with the following text, which includes the insertion of an additional defined term:

“**Scheduled Closing Time**” means, in respect of an Exchange, Related Exchange or, if “China Connect” is specified in relation to a Reference Underlying in the relevant Final Terms, the China Connect Service, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, Related Exchange or the China Connect Service on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside the regular trading session hours or (in the case of the China Connect Service) any after hours or any other order-routing outside of the regular order-routing session hours.

“**Scheduled Trading Day**” means, in respect of a Reference Underlying, any day (i) on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions and (ii) if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions.

“**SEHK**” means The Stock Exchange of Hong Kong Limited.”

7. In paragraph 3 of Schedule 1, the first full sub-paragraph on page 139 of the Base Prospectus (beginning with the words “The Calculation Agent may (but need not)...”) shall be deleted in its entirety and replaced with the following text:

“The Calculation Agent may (but need not) in its absolute discretion determine the appropriate adjustments by reference to (i) the adjustment(s) in respect of such Potential Adjustment Event made by any relevant Related Exchange to listed contracts on such Reference Underlyings traded on such Related Exchange or (ii) if “China Connect” is specified in relation to any Reference Underlying(s) in the relevant Final Terms, any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such Potential Adjustment Event in respect of relevant Reference Underlying(s) held through the China Connect Service. For the avoidance of doubt, in respect of a Potential Adjustment Event the Calculation Agent may make any one or any combination of more than one adjustment(s), distribution(s) and/or payment(s) in accordance with paragraphs (a), (b) and/or (c) above as it determines to be appropriate in its absolute discretion in respect of such Potential Adjustment Event, provided that such adjustment(s), distribution(s) and/or payment(s) (as applicable)

shall represent the entirety of the consequences of such Potential Adjustment Event and no such further payments or distributions shall be made in respect of such Potential Adjustment Event whether on the Maturity Date or otherwise.”

8. In paragraph 4 of Schedule 1, sub-paragraph (a) on page 140 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“(a) determine in good faith the appropriate adjustment, if any, to be made to the Number of Reference Underlyings, the Number of Basket Component 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 (i) 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 such Reference Underlyings traded on that options exchange; (ii) 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; and/or (iii) if “China Connect” is specified in relation to any such Reference Underlying(s) in the relevant Final Terms, take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such Extraordinary Event in respect of any such Reference Underlying(s) held through the China Connect Service.”

9. In paragraph 4 of Schedule 1, the definition of “Additional Disruption Event” on page 140 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

““**Additional Disruption Event**” means a Change of Law, a China Connect Share Disqualification, a China Connect Service Termination, a GDR Termination Event, an Increased Cost of Hedging or an Insolvency Filing, as specified to be applicable in the Final Terms;”

10. The following additional defined terms shall be added to paragraph 4 of Schedule 1, starting on page 140 of the Base Prospectus in the appropriate position according to alphabetical order:

““**China Connect Share Disqualification**” means, on or after the Trade Date, any Reference Underlying(s) in respect of which “China Connect” is specified in the relevant Final Terms cease to be accepted as “China Connect Securities” (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service;

“**China Connect Service Termination**” means, on or after the Trade Date, the announcement by one or more of the Exchange, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, any Reference Underlying(s) in respect of which “China Connect” is specified in the relevant Final Terms through the China Connect Service and the Calculation Agent determines that there is reasonable likelihood that such suspension or termination is not, or will not be, temporary.”

Schedule 2: Provisions Relating to Index Linked Securities

1. The following additional defined terms shall be added to paragraph 1 of Schedule 2, starting on page 143 of the Base Prospectus in the appropriate position according to alphabetical order:

“**China Connect Business Day**” means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time.

“**China Connect Disruption**” means (i) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, 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) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of (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 through the China Connect Service.

“**China Connect Early Closure**” means the closure on any China Connect Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (ii) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Valuation Time on such China Connect Business Day.

“**China Connect Service**” means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities.

“**CSDCC**” means China Securities Depository and Clearing Corporation Limited.”

2. In paragraph 1 of Schedule 2, the definition of “Disrupted Day” on page 143 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“**Disrupted Day**” means, in respect of any Reference Underlying, any Scheduled Trading Day on which (a) the Sponsor fails to publish the level of the Reference Underlying or the Exchange fails to open for trading during its regular trading session, (b) any Related Exchange fails to open for trading during its regular trading session, (c) if “China Connect” is specified in relation to the Reference Underlying in the relevant Final Terms, the China Connect Service fails to open for order-routing during its regular order-routing session or (d) a Market Disruption Event has occurred.”

3. In paragraph 1 of Schedule 2, the definition of “Exchange Business Day” on page 143 of the Base Prospectus shall be deleted in its entirety and replaced with the following text:

“**Exchange Business Day**” means, in respect of the Reference Underlying, any Scheduled Trading Day (i) 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 and (ii) if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms, which is a China Connect Business Day.

4. The following additional defined term shall be added to paragraph 1 of Schedule 2 on page 144 of the Base Prospectus in the appropriate position according to alphabetical order:

“**HKSCC**” means the Hong Kong Securities Clearing Company Limited.”

5. In paragraph 1 of Schedule 2, the definition of “Market Disruption Event” on pages 144-145 of the

Base Prospectus shall be deleted in its entirety and replaced with the following text:

““**Market Disruption Event**” means, in respect of any Reference Underlying, any of the following:

- (a) 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;
- (b) the occurrence or existence on any Scheduled Trading Day of any event (other than an event described in sub-paragraph (c) 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;
- (c) 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
- (d) 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; and/or

if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms:

- (1) a China Connect Disruption which the Calculation Agent determines is material; or
- (2) a China Connect Early Closure,

provided that in all cases, 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, then the relevant percentage contribution of that security to the level of the relevant Reference Underlying shall be based on a comparison of (A) the portion of the level of the relevant Reference Underlying attributable to that security and (B) 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.”

6. In paragraph 1 of Schedule 2, the definitions of “Scheduled Closing Time” and “Scheduled Trading

Day” on page 145 of the Base Prospectus shall be deleted in their entirety and replaced with the following text, which includes the insertion of an additional defined term:

“**Scheduled Closing Time**” means, in respect of an Exchange, Related Exchange or, if “China Connect” is specified in the relevant Final Terms, the China Connect Service, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, Related Exchange or the China Connect Service on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside the regular trading session hours or (in the case of the China Connect Service) any after hours or any other order-routing outside of the regular order-routing session hours.

“**Scheduled Trading Day**” means, (i) 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 (ii) 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 and, in the case of either (i) or (ii), if “China Connect” is specified in the relevant Final Terms, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions.

“**SEHK**” means The Stock Exchange of Hong Kong Limited.”

Transfer and Selling Restrictions

The section on page 183 of the Base Prospectus entitled “People’s Republic of China” shall be deleted in its entirety and replaced with the following text:

“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):

- (a) if there is any Reference Underlying in relation to which “China Connect” is not specified in the relevant Final Terms, to any Domestic Investor as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited or to any person which is the trustee for a Trust (defined below), or to any person which pays or will pay for the Securities any amounts which involved or will involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC; or
- (b) if there is any Reference Underlying in relation to which “China Connect” is specified in the relevant Final Terms, to any person holding a resident identification card of the PRC who is resident or domiciled in the PRC, or legal entity incorporated or registered in the PRC.

“**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 Taiwan; and
- (ii) Legal persons registered in the PRC (excluding Hong Kong, Macau and Taiwan).

“**Legal persons registered in the PRC**” means entities incorporated or organised in the PRC (excluding Hong Kong, Macau and Taiwan) and 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 mean persons holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan) and do not include persons who are permanent residents of Hong Kong, Macau or Taiwan.

“**Renminbi**” means the lawful currency of the PRC.

A “**Trust**” means a trust the interests in which are majority-owned by, and the management decision over which is controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a Trust’s investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this definition by reason only of it being able to control the decision-making in relation to the entity’s financial, investment and/or operating policies.”

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

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

Please see pages 27-55 of the Base Prospectus under the heading “Risk Factors” for the risk factors that may affect the future results of operations or financial condition of Credit Suisse and its consolidated subsidiaries.

Annex: blackline comparisons showing changes to relevant parts of the Base Prospectus

See "Risk Factors" section, page 40 of the Base Prospectus

No obligation to maintain listing

Investors should note that where the Securities are (a) listed or admitted to trading on a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments or (b) listed on a market not regulated for such purpose, the Issuer will not be obliged to maintain the listing of the Securities if the Issuer determines, in its sole discretion, that the circumstances, such as a change in listing requirements, render it impracticable to do so.

Taxation

Each investor 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 any Securityholders or investors 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 Securityholders or investors. 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 investor 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](#), or any PRC Share Security or PRC Index Security for which "China Connect" is specified in relation to any Reference Underlying in the relevant Final Terms. 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.

Proposed Financial Transaction Tax

The European Commission has published a proposal for a Directive for a common financial transaction tax ("FTT") in certain participating member states ("**FTT Member States**").

The proposed FTT has very broad scope and could apply to certain dealings in financial instruments (including secondary market transactions).

The FTT could apply to persons both within and outside of the participating member states. Generally, it would apply to certain dealings in the financial instruments where at least one party is a financial institution, and either (i) at least one party is established or deemed to be established in a participating member state or (ii) the financial instruments are issued in a participating member state.

Ministers of the FTT Member States (other than Slovenia) announced in a statement to the Economic and Financial Affairs Council on 6 May 2014 that there would be a progressive implementation of the FTT. That progressive implementation would first focus on the taxation of shares and some derivatives, with the first step being implemented on or before 1 January 2016. Certain aspects of the current proposal are controversial and, if the FTT is progressed, may be altered prior to any implementation. The actual implementation date would depend on the future approval of the European Council and consultation of other EU institutions, and the subsequent transposition into local law. Additional EU Member States may decide to participate. If the proposed directive (or similar tax) is adopted, transactions in the Securities would, in certain circumstances, be subject to higher transaction costs, and the liquidity of the market for the Securities may diminish.

Prospective investors are advised to seek their own professional advice in relation to the FTT.

Withholding under the EU Savings Tax Directive

Credit Quality

None of the Issuer, the Dealers or any Affiliate makes any representation as to the credit quality of any Reference Entities or any other entities to which any 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 or investor to the Reference Underlyings (or assets constituted thereby) themselves nor to the beneficial interest in such Reference Underlyings (or assets constituted thereby). A Security will not represent a claim against the Reference Entities or any other entities to which such Reference Underlyings relate and, in the event of any loss, a Securityholder or investor will not have recourse under a Security against such entities or against any other assets of such entities.

Securities linked to PRC Reference Underlyings listed on PRC Stock Exchanges

A Hedge Provider may obtain exposure to a PRC Reference Underlying through the Qualified Foreign Institutional Investor ("QFII") regime. Where this is the case, it should be noted that On 29 September 2009, the State Administration for Foreign Exchange ("SAFE") issued the Provisions on the Foreign Exchange Administration of Domestic Securities Investment by Qualified Foreign Institutional Investors ("~~QFII~~"), which expressly prohibit a QFII (~~such as a~~ which may include the relevant Hedge Provider) from transferring or selling its investment quota. There are regulatory uncertainties as to whether issuing or providing Hedging Arrangements for market access products ~~is~~ are regarded as being in compliance with the relevant rules, which prohibit transferring or selling investment quota by a QFII. In addition, ~~the~~ the China Securities Regulatory Commission and SAFE may implement further measures from time to time ~~which may affect Securities with one or more PRC Reference Underlyings.~~

Alternatively, a Hedge Provider may obtain exposure to a PRC Reference Underlying through the China Connect Service. The China Connect Service is a securities trading and clearing programme which is being developed and which currently envisages the Hong Kong Stock Exchange providing order-routing and related services for certain securities traded on the Shanghai Stock Exchange, and the Shanghai Stock Exchange and Hong Kong Securities Clearing Company Limited providing clearing, settlement, depository and related services in relation to such securities. Unlike an investment through the QFII regime, a Hedge Provider need not be approved as a QFII and is not subject to an individual investment quota. Nonetheless, trading through the China Connect Service is expected to be subject to a number of restrictions including pre-trade checking requirements and aggregate and daily RMB quotas that apply to the market in general. The China Connect Service may also be disrupted or terminated. In addition, the China Connect Service is in its initial stages and accordingly further developments are likely.

There are also further regulatory uncertainties that apply in each case, including the taxes to which trades are subject. Each of the above factors may affect Securities with one or more PRC Reference Underlyings.

Securities linked to Indian Reference Underlyings

The Indian Government has legislated General Anti-Avoidance Rules ("GAAR") in its domestic tax law, under which certain transactions entered into by foreign portfolio investors ("FPIs") registered with SEBI under the FPI Regulations would be taxed if such transactions amounted to "impermissible avoidance agreements" as defined under GAAR. GAAR is effective from 1 April 2015, although the Indian Government clarifications state that investments made before 30 August 2010 would not be tested for GAAR. The scope of GAAR and its impact on transactions done by FPIs is unclear at present and it is possible that Securities with one or more Indian Reference Underlyings may be affected by GAAR.

The amounts payable under the Securities and market value of the Securities may be adversely affected by movements in the reference price or level of the relevant Reference Underlyings or the prevailing exchange rate.

*Single Reference Underlying) should be completed.)
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- 26 Number of Reference Underlyings: [●]
- 27 Information relating to the Reference Underlyings:
- Reference Entity: [●]
 - Security Code of the Reference Underlyings: [ISIN: [●]]
[Bloomberg: [●]]
 - Exchange: [●] [\[\(China Connect\)\]](#)
 - Related Exchange: [●]/[All Exchanges]
- 28 Reference Underlying Jurisdiction: [●]
- 29 Reference Price: [Reference Price – Execution Price]
[Reference Price – VWAP]
[Reference Price – Closing Price]
- 30 Valuation Period: [As specified in the Conditions] [●]
- 31 Additional Disruption Events:
- Change of Law: [Applicable] [Not Applicable]
 - GDR Termination Event: [Applicable] [Not Applicable]
 - Increased Cost of Hedging: [Applicable] [Not Applicable]
 - Insolvency Filing: [Applicable] [Not Applicable]

PROVISIONS RELATING TO EQUITY LINKED SECURITIES (for Securities linked to a Basket)

[Applicable/Not Applicable]
*(If the Securities are Equity Linked Securities linked to a Basket of Reference Underlyings then these provisions relating to Equity Linked Securities (for Securities linked to a Basket) should be completed.)
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- | | [Basket Component 1] | [Basket Component 2] | [Basket Component 3] |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 32 Number of Basket Component Reference Underlyings: | [●] | [●] | [●] |
| 33 Information relating to the Basket Component Reference Underlyings: | | | |
| – Reference Entity: | [●] | [●] | [●] |
| – Security Code of the Basket Components: | [ISIN: [●]]
[Bloomberg: [●]] | [ISIN: [●]]
[Bloomberg: [●]] | [ISIN: [●]]
[Bloomberg: [●]] |
| – Exchange: | [●] [(China Connect)] | [●] [(China Connect)] | [●] [(China Connect)] |
| – Related Exchange: | [●] | [●] | [●] |

		[Alternatively, specify "All Exchanges".]
34	Reference Underlying Jurisdiction:	[Basket Component 1] [Basket Component 2] [Basket Component 3] [•] [•] [•]
35	Reference Price:	[Reference Price – Execution Price] [Reference Price – VWAP] [Reference Price – Closing Price]
36	Valuation Period:	[As specified in the Conditions] [•]
37	Additional Disruption Events:	
	– Change of Law:	[Applicable] [Not Applicable]
	– GDR Termination Event:	[Applicable] [Not Applicable]
	– Increased Cost of Hedging:	[Applicable] [Not Applicable]
	– Insolvency Filing:	[Applicable] [Not Applicable]

PROVISIONS RELATING TO INDEX LINKED SECURITIES

[Applicable/Not Applicable]
(If the Securities are Index Linked Securities, these provisions relating to Index Linked Securities below should be completed.)
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

38	Information relating to the Reference Underlyings:	[•]
	– Code of the Reference Underlyings:	[•] [(China Connect)]
	– Related Exchange:	[•]/[All Exchanges]
	– Description of the Reference Underlying:	<i>[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.]</i>
39	Index Currency Amount:	[•]
40	Valuation Period:	[As specified in the Conditions] [•]
41	Reference Underlying Jurisdiction:	[•]

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

42	Form of Securities:	[Regulation S][Rule 144A] Global Security
43	Additional Financial Centre(s) or other special provisions relating to Payment Day:	[Applicable: [•]] [Not Applicable]
44	Calculation Agent:	[Credit Suisse (Hong Kong) Limited Level 88, International Commerce Centre, 1 Austin Road West,

(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- 26 Number of Reference Underlyings: [●]
- 27 Information relating to the Reference Underlyings:
- Reference Entity: [●]
 - Security Code of the Reference Underlyings: [ISIN: [●]]
[Bloomberg: [●]]
 - Exchange: [●] [\[\(China Connect\)\]](#)
 - Related Exchange: [●]/[All Exchanges]
- 28 Reference Underlying Jurisdiction: [●]
- 29 Reference Price: [Reference Price – Execution Price]
[Reference Price – VWAP]
[Reference Price – Closing Price]
- 30 Valuation Period: [As specified in the Conditions] [●]
- 31 Additional Disruption Events:
- Change of Law: [Applicable] [Not Applicable]
 - GDR Termination Event: [Applicable] [Not Applicable]
 - Increased Cost of Hedging: [Applicable] [Not Applicable]
 - Insolvency Filing: [Applicable] [Not Applicable]

PROVISIONS RELATING TO EQUITY LINKED SECURITIES (for Securities linked to a Basket)

[Applicable/Not Applicable]

(If the Securities are Equity Linked Securities linked to a Basket of Reference Underlying then these provisions relating to Equity Linked Securities (for Securities linked to a Basket) should be completed.)

(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- | | [Basket Component 1] | [Basket Component 2] | [Basket Component 3] |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| 32 Number of Basket Component Reference Underlyings: | [●] | [●] | [●] |
| 33 Information relating to the Basket Component Reference Underlyings: | | | |
| – Reference Entity: | [●] | [●] | [●] |
| – Security Code of the Basket Components: | [ISIN: [●]]
[Bloomberg: [●]] | [ISIN: [●]]
[Bloomberg: [●]] | [ISIN: [●]]
[Bloomberg: [●]] |
| – Exchange: | [●] [(China Connect)] | [●] [(China Connect)] | [●] [(China Connect)] |
| – Related Exchange: | [●] | [●] | [●] |

[Alternatively, specify "All Exchanges".]

34	Reference Underlying Jurisdiction:	[Basket Component 1] [●]	[Basket Component 2] [●]	[Basket Component 3] [●]
35	Reference Price:	[Reference Price – Execution Price] [Reference Price – VWAP] [Reference Price – Closing Price]		
36	Valuation Period:	[As specified in the Conditions] [●]		
37	Additional Disruption Events:	[Applicable] [Not Applicable]		
	– Change of Law:	[Applicable] [Not Applicable]		
	– GDR Termination Event:	[Applicable] [Not Applicable]		
	– Increased Cost of Hedging:	[Applicable] [Not Applicable]		
	– Insolvency Filing:	[Applicable] [Not Applicable]		

PROVISIONS RELATING TO INDEX LINKED SECURITIES

[Applicable/Not Applicable]
(If the Securities are Index Linked Securities, these provisions relating to Index Linked Securities below should be completed.)
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

38	Information relating to the Reference Underlyings:	[●]		
	– Code of the Reference Underlyings:	[●] [(China Connect)]		
	– Related Exchange:	[●]/[All Exchanges]		
	– Description of the Reference Underlying:	<i>[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.]</i>		
39	Index Currency Amount:	[●]		
40	Valuation Period:	[As specified in the Conditions] [●]		
41	Reference Underlying Jurisdiction:	[●]		

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

42	Form of Securities:	[Regulation S][Rule 144A] Global Security		
43	Additional Financial Centre(s) or other special provisions relating to Payment Day:	[Applicable: [●]] [Not Applicable]		
44	Calculation Agent:	[Credit Suisse (Hong Kong) Limited Level 88, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong]		

“**Hedge Provider**” means, in respect of a Hedging Arrangement, the Issuer, the Affiliate or the third party counterparty which has entered into such Hedging Arrangement.

“**Hedging Arrangements**” means any hedging arrangements entered into by the Issuer (or an Affiliate or third party counterparty) at any time to hedge the Issuer’s obligations in respect of the Securities, including, without limitation the purchase and/or sale of any securities, any shares or units in funds linked to the performance of any securities, any options or futures on any securities or any depository receipts in respect of any securities and any associated foreign exchange transactions.

“**Hedging Disruption Event**” means that, as determined by the Calculation Agent:

- (i) a Hedge Provider is restricted from taking or is unable to, after using commercially reasonable efforts, take any of the following actions: (A) acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any Hedging Arrangements or any other transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing and performing its obligations with respect to the Securities; or (B) realising, recovering or remitting the Hedge Proceeds or any other proceeds of any such transaction(s) or asset(s); or
- (ii) as a result of the implementation by the Reference 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 Reference Underlying Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), a Hedge Provider’s ability to hedge the Issuer’s obligations in respect of the Securities is materially affected.

Such event may occur as a result of, but not limited to, the redemption, termination or cancellation, if applicable, of the relevant Reference Underlyings for any reason (other than, if applicable, the exercise of the relevant Reference Underlyings in accordance with their normal terms).

[For the avoidance of doubt, if “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms, for the purposes of this definition, “using commercially reasonable efforts” does not include the use of any quota granted to a Hedge Provider or its Affiliates under the Qualified Foreign Institutional Investor \(QFII\) or Renminbi Qualified Foreign Institutional Investor \(RQFII\) schemes.](#)

“**Illegality Event**” means that, as determined by the Calculation Agent:

- (i) 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 FPI 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 FPI 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
- (ii) any Hedging Arrangements of a Hedge Provider 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.

“**Index Linked Securities**” means Securities in respect of which “Index” is specified under “Type of Reference Underlying” in the applicable Final Terms.

“**Intermediate Currency**” has the meaning given in the definition of “FX Disruption Event”.

“Investor Put Cut-off Time” means the time specified as such in the applicable Final Terms.

“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.

“Issue Price” means the price at which the Securities will be issued as specified in the applicable Final Terms.

“Jurisdictional Event” means:

- (i) any event which occurs, whether of general application or otherwise and which occurs as a result of present or future risks in or connected with the Reference Underlying Jurisdiction relating to the Securities, including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls or capital controls, changes in laws or regulations and changes in the interpretation and/or enforcement of laws and regulations (including, without limitation, those relating to taxation) and other legal and/or sovereign risks;
- (ii) the Calculation Agent determines that a Hedge Provider is not able to buy and/or sell any Reference Underlyings related to the Securities via a trading system commonly used within the relevant Reference Underlying Jurisdiction for these kind of Reference Underlyings (including, if “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms, the China Connect Service) or such trading system fails to calculate and publish the price of any Reference Underlyings on a day on which the Calculation Agent determines that such calculation and publication was otherwise expected to be made; or
- (iii) in relation to Securities in respect of which the Kingdom of Saudi Arabia is specified as (in respect of Securities not linked to a Basket) the Reference Underlying Jurisdiction or (in respect of Securities linked to a Basket) a Reference Underlying Jurisdiction in respect of a Basket Component, the Capital Market Authority (or any successor or equivalent body) of the Kingdom of Saudi Arabia has requested that any Hedge Provider terminates or otherwise modifies any Hedging Arrangements or imposes any qualitative or quantitative limitation or any other requirements in relation to any Hedging Arrangements, the Securities, the holders or any document or matter in relation thereto,

and in the case of (i) and (ii) which has or may have (as determined by the Calculation Agent) the effect of reducing or eliminating the value of the Hedge Proceeds at any time.

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

“Maturity Date” means, subject to Condition 5(f) and Condition 5(g), 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 (i) 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 the Investor Put Cut-off 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 (ii) 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.

“Offshore Derivative Instruments” means offshore derivative instruments within the meaning of the FPI Regulations.

If “Delivery of Further Securities in lieu of Final Redemption Amount at the option of the Issuer” and/or “Delivery of Further Securities in lieu of Early Redemption Amount at the option of the Issuer” is specified as “Applicable” in the relevant Final Terms, the U.S. tax treatment of such Further Securities shall be the same as that for the Securities as outlined in the section of this Base Prospectus below entitled “Taxation”.

(j) *Determinations*

All determinations made by the Issuer and/or the 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 or the Calculation Agent for any loss suffered as a result of the occurrence of an event described in Condition 5(c), a Redemption Disruption Event, a Hedging Disruption Event, a Jurisdictional Event, an Illegality Event or any other event that entitles the Issuer to redeem the Securities early. 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.

(k) *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.

(l) *Cancellation*

All Securities which are redeemed will forthwith be cancelled. All Securities so cancelled and the Securities purchased and cancelled pursuant to paragraph (k) 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 Hedge Provider*

All payments by the Issuer in respect of the Securities will be made after deduction of any commissions, costs, fees, charges, expenses, duties, taxes (including, but not limited to, any capital gains tax or withholding tax), levies, registration fees, custodial fees, or other fees or charges whatsoever incurred by a Hedge Provider (or which would be incurred by a Hedge Provider if it held the relevant Reference Underlyings (or assets constituted thereby)) (together, the “Costs”) as a result of, or in connection with, (i) the holding and/or sale and/or realisation of the relevant Reference Underlyings (or assets constituted thereby) or (ii) 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 Share Security and PRC Index Security*

The Issuer shall include:

(i) a charge on the redemption of any PRC Property Share Security or PRC Property Index Security in an amount equal to 10% of the Net Gain, and

(ii) a charge on the redemption of any PRC Share Security or PRC Index Security for which “China Connect” is specified in relation to any Reference Underlying in the relevant Final Terms in an amount equal to an additional 5.6% of the Net Gain (together with the charge in (i) above, the “Provisional Hedging Cost”),

being an estimate of the PRC Tax to a Hedge Provider. However, should there be a clarification to the effect that any PRC Taxes will be exempted by the State Administration of Tax for any such PRC Share Security or PRC Index Security, then the corresponding portion of the Provisional Hedging Cost will not be withheld while such exemption is effective. Such Provisional Hedging Cost shall be deducted from the amount payable by the Issuer on redemption of the Securities.

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

(d) *Adjustment*

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

- (i) the PRC Tax properly payable by the Issuer and/or the Hedge Provider in respect of the relevant PRC Share Security and/or PRC Index Security pursuant to the PRC Tax Decision (taking into account, without limitation, the scope of the PRC Tax Decision and the applicable rate at which the PRC Tax is payable); and
- (ii) the Provisional Hedging Cost deducted pursuant to 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 Share Security and PRC Index Security exceeds PRC Tax properly payable by the Issuer and/or a 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.

To the extent the PRC Tax properly payable by the Issuer and/or a Hedge Provider exceeds the Provisional Hedging Cost made in respect of the relevant PRC Share Security and PRC 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 amount payable on redemption of the Securities until such excess has been offset in full.

No adjustment shall be made if the PRC 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).

rate prevailing at the time of determination of the Final Redemption Amount or the Early Redemption Amount, as the case may be, as determined by the Calculation Agent,

multiplied by such factor as determined by the Calculation Agent to be representative of the holding of the relevant PRC Share as part of the Hedging Arrangements for the Issuer's obligations under the PRC Index Security.

When computing any Net Gain in respect of any PRC Share Security or PRC Index Security with different Initial Reference Levels or Initial RMB Reference Levels, as the case may be, such method of calculation as determined by the Calculation Agent to be appropriate will be applied.

“**Number of Basket Component Reference Underlyings**” has the meaning given to it in the Applicable Schedule.

“**Number of Reference Underlyings**” has the meaning given to it in the Applicable Schedule.

“**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 for which the Reference Underlying is a PRC Index and in respect of which the 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 for which the Reference Underlying is a PRC Index and in respect of which the 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 Final Redemption Amount or the Early Redemption Amount, as the case may be.

“**PRC Property Share Security**” means any Security for which the Reference Underlying(s) are PRC Property Share(s) and in respect of which Hedging Arrangements involve the acquisition of such PRC Property Share(s).

“**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 for which the Reference Underlying(s) are PRC Share(s) and in respect of which Hedging Arrangements involve the acquisition of such PRC Share(s).

“**PRC Tax**” means all present, future or contingent taxes on income, gain or profit or other similar taxes (however described) which may be imposed by the PRC tax authorities directly or indirectly on the Issuer and/or a Hedge Provider with respect to the PRC Share Securities or PRC Index Securities.

“**PRC Tax Cut Off Date**” means, in respect of a PRC Share Security or a PRC Index Security, the date which falls seven 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.

“**PRC Tax Decision**” means the implementation of the tax legislation published by any relevant tax authority in the PRC relating to the PRC Tax payable by the Issuer or a Hedge Provider for dealing in PRC 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.

“**RMB**” means the lawful currency of the People's Republic of China.

- (vii) **Pakistan.** The Securityholder represents as a condition to purchasing or owning any Security or any beneficial interest therein that (i) it is a person resident outside Pakistan, for the purpose of the Foreign Exchange Manual and the Foreign Exchange Regulation Act, 1947 (a “**Resident outside Pakistan**”), (ii) it is not owned in whole or in part, directly or indirectly by one or more Residents of Pakistan for the purpose of the Foreign Exchange Manual and the Foreign Exchange Regulation Act, 1947 (a “**Resident of Pakistan**”), (iii) it is not financing all or any part of its purchase of the Securities, whether directly or indirectly, from moneys financed by or sourced from any Resident of Pakistan, (iv) the relevant Securities are not being purchased, directly or indirectly, by a Resident of Pakistan or to or for the account of benefit of any Resident of Pakistan, (v) it understands and agrees that the Securities may not be offered, sold or delivered, directly or indirectly, in Pakistan, or to any Resident of Pakistan, and the Purchaser undertakes not to offer, sell or deliver directly or indirectly the Securities in breach of the foregoing. In the event that the Securities are transferred by the Purchaser, the Purchaser 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 (a) is a Resident outside Pakistan; (b) is not owned in whole or in part, directly or indirectly by a Resident of Pakistan; and (c) is not financing all or any part of its purchase of the Securities from Pakistani sources.

- (viii) PRC. The Securityholder represents as a condition to purchasing or owning such Security or any beneficial interest therein that: (A) the Securityholder will not offer, sell or deliver, directly or indirectly, the Securities in the People’s Republic of China (excluding Hong Kong, Macau and Taiwan) (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 sub-paragraphs (1) to (68) below shall apply:

If there is any Reference Underlying in relation to which “China Connect” is not specified in the relevant Final Terms:

- (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 in contravention of the laws and regulations of the PRC;

If there is any Reference Underlying in relation to which “China Connect” is specified in the relevant Final Terms:

- (4) neither it nor any person for whose account or benefit the Securities are being purchased is (a) a natural person holding a resident identification card or other equivalent government issued identification of the PRC, and not having permanent residence in other jurisdictions outside of the PRC (a “**PRC Resident**”) or (b) a legal entity incorporated under the laws of the PRC, or if it or any such person is a PRC Resident or such a legal entity, then its or such person’s purchase of the Securities does not violate the laws and regulations of the PRC including those in relation to foreign exchange control and reporting;

For all PRC Share Securities and PRC Index Securities:

- (5) the Securityholder is not a trustee of a trust the interests in which are majority-owned by, and the management decision over which is controlled by, one or more Domestic Investor(s) (a “**Trust**”). For the avoidance of doubt, in the case only where a Trust’s investments are being managed on a discretionary basis by an investment manager, such investment manager shall

not be deemed to control such entity for the purposes of this definition by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies;

~~(3)~~(6) to the extent the Securityholder is incorporated, domiciled or resident in Taiwan or is owned or controlled by a person(s) or entity(ies), incorporated, domiciled or resident in Taiwan (collectively, a "**Taiwan Related Party**"), the Securityholder:

(x) confirms that it (a) is not prohibited by any applicable Taiwan law, regulation, self-regulatory guideline or policy applicable to dealings by Taiwan Related Parties with Mainland China ("**Cross Straits Rules**") from purchasing the relevant Securities and (b) will, in making such purchase, be in full compliance with any limitations under the Cross Straits Rules or otherwise on the amount, scope or nature of investments by him/her/it in Securities;

(y) confirms that it is not acquiring the PRC Share Securities or PRC Index Securities for the purpose of gaining or exercising control or influence, directly or indirectly, over the management of any company incorporated in the PRC; and

~~(z)~~ acknowledges and understands that it is the Securityholder's sole responsibility to determine, based on his/her/its own evaluation and advice from his/her/its professional advisors, that the purchase by him/her/it of Securities complies with the Cross Straits Rules and that it/he/she shall place no reliance whatsoever on the Issuer, any Dealer or its nominated affiliate in such regard;

~~(4)~~(7) 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;

~~(5) — the Securityholder is not a trustee of a trust the interests in which are majority owned by, and the management decision over which is controlled by, one or more Domestic Investor(s) (a "Trust"). For the avoidance of doubt, in the case only where a Trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this definition by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies; and~~

~~(6)~~(8) in the event that the Securities are transferred by the Securityholder, the Securityholder will ensure that the transferee makes the representations, confirmation and acknowledgements set out in sub-paragraphs (1) to (7) above and in this sub-paragraph (8): ~~(a) is not a Domestic Investor; (b) is not owned in whole or in part, directly or indirectly, by a Domestic Investor; (c) if the transferee is a Taiwan Related party, makes the confirmations and acknowledgements as set out in sub-paragraph(s) (4)(x) and (y) above as though it were the Securityholder; (d) is not financing all or any part of its purchase of the Securities from PRC sources; and (e) is not a Taiwan resident investor acquiring the PRC Share Securities or PRC Index Securities for the purpose of gaining or exercising control or influence, directly or indirectly, over the management of any company incorporated in the PRC.~~

~~(viii)~~(ix) **Russia.** The Securityholder represents as a condition to purchasing or owning such Security or any beneficial interest therein that it will not offer or sell or transfer or otherwise dispose of, and will not offer or sell or transfer or otherwise dispose of, any Securities (as part of their initial distribution or at any time thereafter) to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person

SCHEDULE 1 PROVISIONS RELATING TO EQUITY LINKED SECURITIES

This Schedule shall apply to each Reference Underlying specified as “Single Reference Underlying” or “Basket of Reference Underlyings” under “Type of Reference Underlying” 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

“**Affected Basket Component(s)**” has the meaning given in paragraph 2 in this Schedule.

“**Basket**” has the meaning ascribed to it in the definition of “Basket Component” below.

“**Basket Component**” means, in respect of Securities that are linked to a basket of Reference Underlyings, each type of share, warrant, convertible bond or exchange-traded fund unit comprising the basket (the “**Basket**”) of Reference Underlyings as specified in the applicable Final Terms.

“**Basket Component Reference Underlying**” means, in respect of a Basket Component, the share, warrant, convertible bond or exchange-traded fund unit constituting or constituted in such Basket Component.

“**China Connect Business Day**” means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time.

“**China Connect Disruption**” means (i) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to a Reference Underlying on the Exchange or (ii) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of a Reference Underlying through the China Connect Service.

“**China Connect Early Closure**” means the closure on any China Connect Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (ii) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Valuation Time on such China Connect Business Day.

“**China Connect Service**” means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its Affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities.

“**CSDCC**” means China Securities Depository and Clearing Corporation Limited.

“**Closing Price**” means, in respect of a Reference Underlying or Basket Component Reference Underlying and in respect of any day, (a) the official closing price for such Reference Underlying or Basket Component Reference Underlying on such date as determined by the Calculation Agent or (b) if the official closing price is not available on such day, the last available official closing price, in each case, converted into the Specified Currency by the Calculation Agent using the Exchange Rate prevailing on such date.

“**Conversion Costs**” means (a) in respect of Securities not linked to a Basket, an amount equal to the costs per Converted Reference Underlying incurred (or which would be incurred in such a conversion) in

converting Unconverted Reference Underlyings into Converted Reference Underlyings (including any exceptional charges for such conversion) during the Conversion Period as determined by the Issuer; and (b) in respect of Securities linked to a Basket and in respect of each Basket Component Reference Underlying, an amount equal to the costs per Converted Basket Component Reference Underlying incurred (or which would be incurred in such a conversion) in converting Unconverted Basket Component Reference Underlyings into Converted Basket Component Reference Underlyings (including any exceptional charges for such conversion) during the relevant Conversion Period as determined by the Calculation Agent, in each case, converted into the Specified Currency by the Calculation Agent using the prevailing Exchange Rate at such time as determined by the Calculation Agent.

“**Conversion Period**” means the period from (and including) the Issue Date to (and including) the Valuation Date.

“**Converted Basket Component Reference Underlying**” means, in respect of any Basket Component Reference Underlying that may be subject to a conversion, the reference underlying into which such Basket Component Reference Underlying has been converted.

“**Converted Reference Underlying**” means, in respect of any Reference Underlying that may be subject to a conversion, the reference underlying into which such Reference Underlying has been converted.

“**Disrupted Day**” means:

- (a) if the Securities are not linked to a Basket, 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, (iii) if “China Connect” is specified in relation to a Reference Underlying in the relevant Final Terms, the China Connect Service fails to open for order-routing during its regular order-routing session or (iv~~ii~~) a Market Disruption Event has occurred, in each case, in respect of the Reference Underlying; or
- (b) if the Securities are linked to a Basket, any Scheduled Trading Day on which (i) any 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, (iii) if “China Connect” is specified in relation to a Basket Component Reference Underlying in the relevant Final Terms, the China Connect Service fails to open for order-routing during its regular order-routing session or (iv~~ii~~) a Market Disruption Event has occurred, in each case, in respect of any of the Basket Component Reference Underlyings.

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

- (a) **Participation Securities – Single Reference Underlying:** if “Participation Securities” is specified as the “Early Redemption Amount/Method of calculation” in the Final Terms and the Securities are not linked to a Basket:
 - (i) if the Reference Underlyings have not been converted into a Converted Reference Underlying, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent in accordance with the following formula:

Reference Price of the Reference Underlyings x Number of Reference Underlyings
 - (ii) if some or all of the Reference Underlyings have been converted into a Converted Reference Underlying, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent in accordance with the following formula:

$[(\text{Final Closing Price} - \text{Initial Closing Price}) \times \text{Number of Basket Component Reference Underlyings}] + \text{sum of Daily Outperformance for the period from (and including) the Trade Date to (and including) the Valuation Date}$

Where:

“**Daily Outperformance**” means, on any day, an amount determined by the Calculation Agent in accordance with the following formula:

$(\text{Number of Basket Component Reference Underlyings} \times \text{Closing Price}) \times \text{Outperformance Factor} / 365$

- (e) such other amount as specified in the applicable Final Terms.

The Early Redemption Amount shall be subject to a minimum of zero.

“**Early Redemption Event**” means an event the occurrence of which entitles the Issuer to redeem the Securities early in accordance with the Conditions (other than as a result of the operation of Condition 5(d)).

“**Exchange**” means, in respect of a Reference Underlying, the stock exchange or quotation system so specified in the applicable Final Terms or such other stock exchange or quotation system 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 or quotation system.

“**Exchange Business Day**” means, in respect of a Reference Underlying, any Scheduled Trading Day (i) on which each Exchange and each Related Exchange in respect of such Reference Underlying are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms, which is a China Connect Business Day.

“**Final Closing Price**” means the Closing Price as determined by the Calculation Agent on the Valuation Date.

“**Final Redemption Amount**” means, subject to Condition 5(f), Condition 5(g), Condition 6 and this Schedule, in respect of a redemption pursuant to Condition 5(b) only, in respect of each Security:

- (a) **Participation Securities – Single Reference Underlying:** if “Participation Securities” is specified as the “Final Redemption Amount/Method of calculation” in the Final Terms and the Securities are not linked to a Basket:

- (i) if the Reference Underlyings have not been converted into a Converted Reference Underlying, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent in accordance with the following formula:

$\text{Reference Price of the Reference Underlyings} \times \text{Number of Reference Underlyings}$

- (ii) if some or all of the Reference Underlyings have been converted into a Converted Reference Underlying, an amount in the Specified Currency (rounded down to the nearest Unit) determined by the Calculation Agent in accordance with the following formula:

$[(\text{Reference Price of the Converted Reference Underlyings} - \text{Conversion Costs}) \times \text{Number of Converted Reference Underlyings}] + [\text{Reference Price of the Unconverted Reference Underlyings} \times \text{Number of Unconverted Reference Underlyings}]$

“**Daily Outperformance**” means, on any day, an amount determined by the Calculation Agent in accordance with the following formula:

$$\frac{[(\text{Number of Basket Component Reference Underlyings} \times \text{Closing Price}) \times \text{Outperformance Factor}]}{365}$$

- (e) such other amount as specified in the applicable Final Terms.

The Final Redemption Amount shall be subject to a minimum of zero.

“**GDRs**” means (a) in respect of Securities not linked to a Basket, the global depository receipts specified in the Final Terms and (b) in respect of Securities linked to a Basket and in respect of each Basket Component, the global depository receipts specified in the Final Terms in respect of such Basket Component.

“**HKSCC**” means the Hong Kong Securities Clearing Company Limited.

“**Initial Closing Price**” means the Closing Price as determined by the Calculation Agent on the Trade Date.

“**Market Disruption Event**” means, in respect of a Reference Underlying, any of the following:

- (a) 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 such Reference Underlying, which, in either case, the Calculation Agent determines is material;
- (b) the occurrence or existence on any Scheduled Trading Day of any event (other than an event described in sub-paragraph (c) 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, a Reference Underlying on the relevant Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options relating to such Reference Underlying on any relevant Related Exchange, which, in either case, the Calculation Agent determines is material;
- (c) 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
- (d) 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; and/or

if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms:

(1) a China Connect Disruption which the Calculation Agent determines is material; or

(2) a China Connect Early Closure.

“**Number of Basket Component Reference Underlyings**” means, in respect of a Basket Component and each Security, subject to Condition 5(f), Condition 5(g) and this Schedule, the number of Basket Component Reference Underlyings specified in the applicable Final Terms.

“**Number of Reference Underlyings**” means, in respect of each Security, subject to Condition 5(f), Condition 5(g) and this Schedule, the number of Reference Underlyings specified in the applicable Final Terms.

- (a) in respect of Securities not linked to a Basket, the jurisdiction(s) to which the Reference Underlying relates as specified in the applicable Final Terms, provided that if none is specified, the Reference Underlying Jurisdiction is the jurisdiction in which the Reference Entity is incorporated and the jurisdiction of which any Intermediate Currency is the lawful currency; and
- (b) in respect of Securities linked to a Basket and in respect of each Basket Component, the jurisdiction(s) specified in the applicable Final Terms for such Basket Component, provided that if none is specified, the Reference Underlying Jurisdiction for such Basket Components is the jurisdiction in which the relevant Reference Entity is incorporated and the jurisdiction of which any relevant Intermediate Currency is the lawful currency.

“**Related Exchange(s)**” means, in respect of a Reference Underlying, the exchange(s) or quotation system(s), if any, as specified in the applicable Final Terms, or such other options or futures exchange(s) or quotation system(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 or quotation system, 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.

“**Scheduled Closing Time**” means, in respect of an Exchange, ~~or~~ Related Exchange or, if “China Connect” is specified in relation to a Reference Underlying in the relevant Final Terms, the China Connect Service, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, ~~or~~ Related Exchange or the China Connect Service on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside the regular trading session hours or (in the case of the China Connect Service) any after hours or any other order-routing outside of the regular order-routing session hours.

“**Scheduled Trading Day**” means, in respect of a Reference Underlying, any day (i) on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions and (ii) if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions.

“SEHK” means The Stock Exchange of Hong Kong Limited.

“**Unconverted Basket Component Reference Underlying**” means, in respect of any Basket Component Reference Underlying that may be subject to a conversion, any Basket Component Reference Underlying that has not been converted.

“**Unconverted Reference Underlying**” means, in respect of any Reference Underlying that may be subject to a conversion, any Reference Underlying that has not been converted.

“**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 Scheduled Closing Time on the relevant Exchange in relation to such Reference Underlying or such other time as the Calculation Agent may determine in its absolute discretion and notify to Securityholders in accordance with Condition 10. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation time shall be such actual closing time.

2. PARTIAL EARLY REDEMPTION OF SECURITIES LINKED TO A BASKET

In respect of Securities linked to a Basket only, if an Early Redemption Event has occurred and the Calculation Agent determines in its absolute discretion that not all Basket Components are affected by such

Early Redemption Event, the Issuer may elect to partially redeem the Securities in accordance with this paragraph notwithstanding any other provisions in the Conditions to the contrary.

If the Issuer elects to redeem the Securities in part, on the Early Redemption Date the Issuer shall, in respect of Securities that are issued with a nominal amount, redeem a nominal amount of each Security equal to the proportion of the total nominal amount of such Security which is the proportion of the Affected Basket Component(s) to the aggregate of all Basket Components (as determined by the Issuer in its sole discretion) at an amount equal to the Early Redemption Amount, which would be determined in accordance with the terms of the Securities if the Basket in respect of each Security comprised solely the Reference Underlyings in the Affected Basket Component.

Following such partial redemption, the Calculation Agent shall make any adjustment to the terms and conditions of the Securities as the Calculation Agent determines in its discretion appropriate to account for such partial redemption.

For the purpose of this paragraph 2, “**Affected Basket Component(s)**” means the Basket Component(s) which comprise(s) the relevant Basket Component Reference Underlying(s) affected by the relevant Early Redemption Event as determined by the Calculation Agent.

Notice of such partial redemption shall be given to the Securityholders in accordance with Condition 10. For the avoidance of doubt, the Early Redemption Event does not have to be continuing on the Early Redemption Date.

3. **POTENTIAL ADJUSTMENT EVENT**

Following the declaration by a 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 relevant Reference Underlyings and, if so, will take any one or more of the following actions:

- (a) calculate and make the corresponding adjustment, if any, to be made to the Number of Reference Underlyings, Number of Basket Component 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/or
- (b) distribute further Securities to Securityholders on a *pro rata* basis provided that such further Securities may be either (i) Securities of the same Series or of a different Series held by the Issuer or an Affiliate, (ii) further Securities of the same Series issued in accordance with Condition 12 or (iii) Securities of a different Series issued by the Issuer, as determined by the Calculation Agent; and/or
- (c) determine in its absolute discretion the cash value per Security in the Specified Currency of such Potential Adjustment Event (taking into consideration any adjustment or distribution to be made in accordance with paragraphs (a) and/or (b) above and including, without limitation, a cash amount payable to reflect the rounding of amounts in connection with the distribution of Securities in paragraph (b) above) (the “**Potential Adjustment Event Distribution Amount**”) and will pay in respect of each Security an amount equal to such Potential Adjustment Event Distribution Amount as a Distribution Payment Amount,

and in each case, determine the effective date of that adjustment.

The Calculation Agent may (but need not) in its absolute discretion determine the appropriate adjustments by reference to [\(i\)](#) the adjustment(s) in respect of such Potential Adjustment Event made by any relevant Related Exchange to listed contracts on such Reference Underlyings traded on such Related Exchange [or](#) [\(ii\)](#) if “China Connect” is specified in relation to any Reference Underlying(s) in the relevant Final Terms, [any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such](#)

[Potential Adjustment Event in respect of relevant Reference Underlying\(s\) held through the China Connect Service](#). For the avoidance of doubt, in respect of a Potential Adjustment Event the Calculation Agent may make any one or any combination of more than one adjustment(s), distribution(s) and/or payment(s) in accordance with paragraphs (a), (b) and/or (c) above as it determines to be appropriate in its absolute discretion in respect of such Potential Adjustment Event, provided that such adjustment(s), distribution(s) and/or payment(s) (as applicable) shall represent the entirety of the consequences of such Potential Adjustment Event and no such further payments or distributions shall be made in respect of such Potential Adjustment Event whether on the Maturity Date or otherwise.

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 the relevant Reference Underlyings charged on subscription, acquisition or receipt of such 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.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as reasonably 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.

For the purposes of this Schedule, “**Potential Adjustment Event**” means, in relation to any Reference Underlyings and the related 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 such Reference Underlyings of (A) Reference Underlyings; (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant Reference Entity equally or proportionately with such payments to holders of such Reference Underlyings; (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by such Reference Entity as a result of a spin-off or other similar transaction; or (D) 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 relevant Reference Entity of such 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 relevant 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 that may, in the opinion of the Calculation Agent, have a diluting or concentrative effect on the theoretical value of such Reference Underlyings.

4. EXTRAORDINARY EVENTS

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

- (a) determine in good faith the appropriate adjustment, if any, to be made to the Number of Reference Underlyings, the Number of Basket Component 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 (i) 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 such Reference Underlyings traded on that options exchange; ~~or~~ (ii) 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; and/or (iii) if “China Connect” is specified in relation to any such Reference Underlying(s) in the relevant Final Terms, take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such Extraordinary Event in respect of any such Reference Underlying(s) held through the China Connect Service.
- (b) if the Calculation Agent determines that no adjustment that it could make under (a) will produce a commercially reasonable result, notify the Securityholders in accordance with Condition 10 that the relevant consequence shall be the redemption of the Securities in which case the Issuer shall redeem the Securities in whole or in part on the Early Redemption Date at their Early Redemption Amount.

Upon the occurrence of an Extraordinary Event, the Calculation Agent shall give notice as soon as reasonably 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 one of the above events occurs and the time at which it is reported to Securityholders.

For the purposes of this Schedule:

“**Additional Disruption Event**” means a Change of Law, a China Connect Share Disqualification, a China Connect Service Termination, a GDR Termination Event, an Increased Cost of Hedging or an Insolvency Filing, as specified to be applicable in the Final Terms;

“**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 (i) it has become illegal for the Issuer or a Hedge Provider to hold, acquire or dispose of any Reference Underlyings or hedge position relating to such Securities, or (ii) 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);

“**China Connect Share Disqualification**” means, on or after the Trade Date, any Reference Underlying(s) in respect of which “China Connect” is specified in the relevant Final Terms cease to be accepted as “China

Connect Securities” (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service;

“China Connect Service Termination” means, on or after the Trade Date, the announcement by one or more of the Exchange, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, any Reference Underlying(s) in respect of which “China Connect” is specified in the relevant Final Terms through the China Connect Service and the Calculation Agent determines that there is reasonable likelihood that such suspension or termination is not, or will not be, temporary.

“**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 relevant 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 such Exchange (or, where such 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;

“**GDR Termination Event**” means (a) in the case of Securities not linked to a Basket and in the case of the Reference Underlyings comprising GDRs, the termination of the GDR programme of the Reference Entity and the liquidation of the GDRs prior to the Maturity Date of the Securities without the GDRs being converted into related shares of the Reference Entity, as determined by the Calculation Agent or (b) in the case of Securities linked to a Basket and in the case of Basket Component Reference Underlyings comprising GDRs, the termination of the relevant GDR programme of the relevant Reference Entity and the liquidation of the relevant GDRs prior to the Maturity Date of the Securities without the relevant GDRs being converted into related shares of the Reference Entity, as determined by the Calculation Agent;

“**Increased Cost of Hedging**” means that, in respect of the relevant Securities, any Hedge Provider would incur a materially increased (as compared with circumstances existing on the Trade Date of such Securities) amount of tax, duty expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of the Issuer entering into and performing its obligations with respect to such Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Hedge Provider shall not be deemed an Increased Cost of Hedging;

“**Insolvency**” means that at any time, by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or any analogous proceedings affecting any Reference Entity (a) all the Reference Underlyings of such Reference Entity are required to be transferred to a trustee, liquidator or other similar official or (b) holders of such 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 it 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 it 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 a 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;

SCHEDULE 2

PROVISIONS RELATING TO INDEX LINKED SECURITIES

This Schedule shall apply to each Reference Underlying specified as “Index” under “Type of Reference Underlying” 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

“China Connect Business Day” means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time.

“China Connect Disruption” means (i) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, 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) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of (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 through the China Connect Service.

“China Connect Early Closure” means the closure on any China Connect Business Day of the China Connect Service, 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, prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (ii) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Valuation Time on such China Connect Business Day.

“China Connect Service” means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities.

“CSDCC” means China Securities Depository and Clearing Corporation Limited.

“Disrupted Day” means, in respect of any Reference Underlying, any Scheduled Trading Day on which (a) the Sponsor fails to publish the level of the Reference Underlying or the Exchange fails to open for trading during its regular trading session, (b) any Related Exchange fails to open for trading during its regular trading session, (c) if “China Connect” is specified in relation to the Reference Underlying in the relevant Final Terms, the China Connect Service fails to open for order-routing during its regular order-routing session or (d) a Market Disruption Event has occurred.

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

- (a) **Participation Securities:** 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 in accordance with the following formula:

Reference Level x Index Currency Amount

- (b) **Outperformance Securities:** 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 in accordance with the following formula:

(Reference Level x Index Currency Amount + [Reference Level x Index Currency Amount x Outperformance Factor x (D/365)]) x ([100 – Break Fee Percentage]/100)

- (c) such other amount as specified in the applicable Final Terms.

The Early Redemption Amount shall be subject to a minimum of zero.

For the purpose of this definition,

“**Break Fee Percentage**” means the percentage specified as such in the applicable Final Terms;

“**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.

“**Exchange**” means, in respect of any securities comprised in any Reference Underlying, the stock exchange(s) or quotation system(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 (i) 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 and (ii) if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms, which is a China Connect Business Day.

“**Final Redemption Amount**” means, subject to Condition 5(f), Condition 5(g), Condition 6 and this Schedule, in respect of a redemption pursuant to Condition 5(b) only, in respect of each Security:

- (a) **Participation Securities:** 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 as follows:

Reference Level x Index Currency Amount

- (b) **Outperformance Securities:** 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 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

- (c) such other amount as specified in the applicable Final Terms.

The Final Redemption Amount shall be subject to a minimum of zero.

“HKSCC” means the Hong Kong Securities Clearing Company Limited.

“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:

- (a) 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;
- (b) the occurrence or existence on any Scheduled Trading Day of any event (other than an event described in sub-paragraph (c) 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;
- (c) 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

(d) 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; and/or

if “China Connect” is specified in relation to that Reference Underlying in the relevant Final Terms:

(1) a China Connect Disruption which the Calculation Agent determines is material; or

(2) a China Connect Early Closure,

provided that in all cases, 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, then the relevant percentage contribution of that security to the level of the relevant Reference Underlying shall be based on a comparison of (A) the portion of the level of the relevant Reference Underlying attributable to that security and (B) 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.

“**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 relevant Hedge Provider obtains (or which could have been obtained by the Hedge Provider if it held the assets constituting the Reference Underlying or pursuant to any Hedging Arrangement on a theoretical hedge), on a best efforts basis, 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 (or which would be so received by the Hedge Provider if it held the assets constituting the Reference Underlying or pursuant to any Hedging Arrangement on a theoretical hedge) 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.

“**Reference Underlying**” means the index as specified in the applicable Final Terms.

“**Reference Underlying Jurisdiction**” means, in respect of any Reference Underlying, the country to which such Reference Underlying relates, as specified in the applicable Final Terms.

“**Related Exchange**” means, in respect of the Reference Underlying, the related exchange(s) or quotation system(s), if any, specified in the applicable Final Terms, or other options or futures exchange(s) or quotation system(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 or quotation system, 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.

“**Scheduled Closing Time**” means, in respect of an Exchange, ~~or~~ Related Exchange or, if “China Connect” is specified in the relevant Final Terms, the China Connect Service, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, ~~or~~ Related Exchange or the China Connect Service on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside the regular trading session hours or (in the case of the China Connect Service) any after hours or any other order-routing outside of the regular order-routing session hours.

“**Scheduled Trading Day**” means, (i) 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 (ii), 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 and, in the case of either (i) or (ii), if “China Connect” is specified in the relevant Final Terms, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions.

“**SEHK**” means The Stock Exchange of Hong Kong Limited.

“**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.

specified under Schedules 6 and 7 of the CMSA, which shall include, *inter alia*, sophisticated investor, holder of capital markets services licence and persons outside Malaysia.

Pakistan

The Securities are not being offered or sold and may not be offered or sold directly or indirectly in Pakistan or to or for the account or benefit of:

- (i) any Resident of Pakistan for the purpose of the Foreign Exchange Manual and the Foreign Exchange Regulation Act, 1947 (a "**Resident of Pakistan**");
- (ii) any entity owned in whole or in part, directly or indirectly by one or more Residents of Pakistan; or
- (iii) any person whose purchase of the Securities is financed, whether directly or indirectly, from moneys financed by or sourced from any Resident of Pakistan.

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):

- [\(a\) if there is any Reference Underlying in relation to which "China Connect" is not specified in the relevant Final Terms, to any Domestic Investor as defined in the Administrative Rules of Securities Accounts of China Securities Depository and Clearing Corporation Limited or to any person which is the trustee for a Trust \(defined below\), or to any person which pays or will pay for the Securities any amounts which involved or will involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC; or](#)
- [\(b\) if there is any Reference Underlying in relation to which "China Connect" is specified in the relevant Final Terms, to any \(i\) natural person holding a resident identification card or other equivalent government issued identification of the PRC, and not having permanent residence in other jurisdictions outside of the PRC \(a "**PRC Resident**"\) or \(ii\) legal entity incorporated under the laws of the PRC, other than where such PRC Resident's or legal entity's purchase of the Securities does not violate the laws and regulations of the PRC including those in relation to foreign exchange control and reporting.](#)

"**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 Taiwan; and
- (ii) Legal persons registered in the PRC (excluding Hong Kong, Macau and Taiwan).

"**Legal persons registered in the PRC**" means entities incorporated or organised in the PRC (excluding Hong Kong, Macau and Taiwan) and 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 mean persons holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan) and do not include persons who are permanent residents of Hong Kong, Macau or Taiwan.

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