

**PROSPECTUS dated 20 May 2014**

**ARGENTUM CAPITAL S.A.**

*(a public limited liability company (société anonyme) incorporated under the laws of Luxembourg, having its registered office at 51 Avenue J.-F. Kennedy, L-1855 Luxembourg and registered with the RCS under number B.182.715) (the “Company”)*

**acting in respect of Compartment GAP 1924 - 1925 June 2014**

**Issue of**

**Series 2014-31**

**Class A up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the “Class A Notes”)**

**Class B up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the “Class B Notes”)**

This Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under the Prospectus Directive 2003/71/EC (as amended by Directive 2010/73/EU) (the “**Prospectus Directive**”). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange p.l.c. (the “**Irish Stock Exchange**”) for the Class A Notes and the Class B Notes (together, the “**Notes**”) to be admitted to the Official List of the Irish Stock Exchange (“**Official List**”) and trading on its regulated market. Such market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. Application has also been made for the Notes to be admitted to trading and listed on the regulated market of the NASDAQ OMX Stockholm AB (the “**Stockholm Stock Exchange**”).

This document constitutes a Prospectus for the purposes of the Prospectus Directive.

This Prospectus is available on the Irish Stock Exchange's website ([www.ise.ie](http://www.ise.ie)).

The Company is subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the “**Securitisation Act 2004**”). Under the Securitisation Act 2004, the Company, as a regulated entity within the meaning of the Securitisation Act 2004, is entitled to issue securities to the public on an ongoing basis.

The Company acting in respect of Compartment GAP 1924 - 1925 June 2014 (the “**Compartment**”) created by the board of directors of the Company (in such capacity, the “**Issuer**”) will issue the Notes relating to such Compartment. The Issuer's liabilities in respect of such Notes will be allocated to the Compartment and will be segregated from the Company's other assets and liabilities and from the assets and liabilities allocated to any other compartments created by the Company. The Mortgaged Property is in principle exclusively available to satisfy the rights of the holders of the Notes and the rights of the creditors whose claims have arisen as a result of the creation, the operation or the liquidation of the Compartment, as contemplated by the articles of association of the Company (the “**Articles**”).

Claims of the Noteholders will be limited in recourse to the Mortgaged Property for the Notes which includes, among other things, (a) the rights of the Issuer under the Credit Default Swap Transactions comprised in the Swap Agreement, (b) the rights of the Issuer under the Equity Swap Transaction comprised in the Swap Agreement referencing the Class A Attributable Warrants (the return on which only the Class A Notes are linked) and (c) the rights of the Issuer under the Equity Swap Transaction comprised in the Swap Agreement referencing Class B Attributable Warrants (the return on which only the Class B Notes are linked) (see “*Risk Factors - Limited recourse obligations*” on page 23 of the Base Prospectus dated 23 December 2013, together with “*Risk Factors*”, “*Transaction Description*” and “*Questions and Answers*” of this Prospectus).

Noteholders, by subscribing for the Notes, expressly accept, and shall be deemed to be bound by, the provisions of the Securitisation Act 2004 and in particular, the provisions on limited recourse, no petition, subordination and priority of payments and deliveries.

The Notes are credit-linked. Also, the Class A Notes are linked to the performance of the Equity Swap Transaction referencing the Class A Attributable Warrants and the Class B Notes are linked to the performance of the Equity Swap Transaction referencing the Class B Attributable Warrants. Certain risks relating to credit-linked Notes and the Warrants and an explanation as to the nature of such credit-linkage and the Warrants are set out below, in particular in the sections of this Prospectus entitled “*Risk Factors*”, “*Transaction Description*” and “*Questions and Answers*”.

Any person (an “**Investor**”) intending to acquire or acquiring any securities from any person (an “**Offeror**”) should be aware that, in the context of an offer of securities to the public as defined under the Prospectus Directive, the Issuer may be responsible to the Investor for this Prospectus only if the Issuer is acting in association with that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with the Issuer. If the Offeror is not acting in association with the Issuer, the Investor should check with the Offeror whether anyone is responsible for this Prospectus for the purposes of Article 6 of the Prospectus Directive as implemented by the national legislation of each European Economic Area Member State in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents it should take legal advice.

The Notes will be issued in registered form and will be represented by a Global Certificate as specified in the Issue Terms of the Notes set out on page 97.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities laws of any state or other jurisdiction of the United States, and the Issuer is not and will not be registered under the United States Investment Company Act of 1940, as amended. Accordingly, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of any U.S. persons (as defined in Regulation S under the Securities Act) at any time.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Prospectus contains references to credit ratings granted by Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), Fitch Ratings Limited (“**Fitch**”) and Moody’s Investors Service Ltd (“**Moody’s**”). Each of S&P, Fitch and Moody’s are established in the European Community and are registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. A rating is not a recommendation to buy, sell or hold a security and may be subject to revision or withdrawal at any time by the assigning rating agency. There can be no assurance that the assigning rating agency will continue to monitor its rating during the life of the Notes or that such rating may not be downgraded or withdrawn.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Any websites referred to in this document do not form part of this Prospectus.

Prospective investors should be aware of the risks involved in investing in the Notes (see “*Risk Factors*” on page 20).

Dealer

**CREDIT SUISSE INTERNATIONAL**

The date of this Prospectus is 20 May 2014.

This Prospectus constitutes a Prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (as amended by Directive 2010/73/EU) (the “**Prospectus Directive**”).

This Prospectus has been prepared for the purpose of providing information with regard to the Issuer and the Notes. The Issuer (the “**Responsible Person**”) accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The information in “Description of the Reference Entities”, Parts A-D, of this Prospectus has been extracted from the base prospectuses of each of the Reference Entities (as defined below), save for the reference to the exchange(s) on which such Reference Entity has certain securities listed which has been extracted from the Bloomberg page for each Reference Entity. As far as the Issuer is aware and is able to ascertain, this information has been accurately reproduced and no facts have been omitted which would render the reproduced information inaccurate or misleading.

In addition, the Issuer accepts responsibility, in each Member State for which it has given its consent referred to herein, for the content of this Prospectus in relation to any person (an “**Investor**”) to whom an offer of any Notes is made by any financial intermediary to whom it has given its consent to use this Prospectus (an “**Authorised Offeror**”), where the offer is made during the period for which that consent is given and where the offer is made in the Member State for which that consent was given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Prospectus. However, neither the Issuer nor the Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The Issuer consents to the use of this Prospectus in connection with the offer of the Notes during the period commencing from, and including, 22 May 2014 to, and including, 23 June 2014 (the “**Offer Period**”) by each of the following financial intermediaries in the Member State(s), and subject to the conditions, set out against their names for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC):

<u><b>Intermediary</b></u>	<u><b>Member State</b></u>	<u><b>Conditions</b></u>
Garantum Fondkommission AB	Kingdom of Sweden	None

The Issuer may give consent to additional financial intermediaries after the date of this Prospectus and, if it does so, it will publish the above information in relation to them at [www.argentumcapital.lu](http://www.argentumcapital.lu) at the relevant time during the Offer Period.

An offer of the Notes may be made, subject to the conditions set out above, during the Offer Period by any of the Issuer, the Dealer or any Authorised Offeror.

Other than as set out above, neither the Issuer nor the Dealer has authorised the making of any offer of the Notes by any person in any circumstances and such person is not permitted to use this Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by the Dealer or any Authorised Offerors and none of the Issuer or the Dealer or any Authorised Offerors has any responsibility or liability for the actions of any person making such offers.

**AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN**

**INVESTOR BY AN OFFEROR WILL BE MADE IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALER) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THIS PROSPECTUS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.**

Neither the Trustee nor the Dealer has or will have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is or will be made and no responsibility or liability is or will be accepted by the Trustee or the Dealer as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution.

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

Neither this Prospectus nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Dealer or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Dealer or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus, nor the offering, sale or delivery of Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealer and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of the Notes may be restricted by law in certain jurisdictions. The Issuer, the Trustee and the Dealer do not and will not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been or will be taken by the Issuer, the Trustee or the Dealer (save as specified in “***Subscription and Sale – Public Offer Selling Restriction under the Prospectus Directive***” below) which is intended to permit a public offering of the Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe any such restrictions. In particular, there are restrictions on the distribution of this

Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom, Luxembourg, Ireland and the Kingdom of Sweden) and Switzerland (see the section entitled “**Subscription and Sale**” on page 158 of the Base Prospectus and the section of this Prospectus entitled “**Subscription and Sale**” below).

This Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each a “**Relevant Member State**”) other than offers (the “**Permitted Public Offers**”) which are made on or prior to 23 June 2014 and which are contemplated in the Prospectus in the Kingdom of Sweden once the Prospectus has been approved by the Central Bank in Ireland and published and notified to the relevant competent authority in accordance with the Prospectus Directive as implemented in the Kingdom of Sweden will be made pursuant to an exemption under the Prospectus Directive as implemented in that Relevant Member State from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this Prospectus other than the Permitted Public Offers may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive in each case, in relation to such offer. Neither the Issuer nor the Dealer have authorised nor do they authorise, the making of any offer (other than Permitted Public Offers) of Notes in circumstances in which an obligation arises for the Issuer or the Dealer to publish or supplement a prospectus for such offer.

*The Company has been established as a special purpose vehicle for the purpose of issuing asset backed securities having adopted the form of a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg. The Company’s activities are subject to the Securitisation Act 2004 and the Company is a regulated entity within the meaning of the Securitisation Act 2004. Copies of the Articles as at the date of this document have been lodged with the Luxembourg trade and companies register (Registre de commerce et des sociétés, Luxembourg) (“**RCS**”) and the Company is registered with the Luxembourg trade and companies register under number B.182.715.*

*The Articles are published in the Mémorial, Recueil des Sociétés et Associations (the “**Mémorial**”).*

*Under the Securitisation Act 2004, the Company, as a regulated entity within the meaning of the Securitisation Act 2004, is entitled to issue securities or its shares to the public on an ongoing basis.*

All references in this Prospectus to “**euro**”, “**EUR**” and “**€**” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

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## SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Notes and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in this Summary because of the type of securities and issuers, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the mention of “Not Applicable”.

This Summary relates to the Class A up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the “Class A Notes”) and the Class B up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the “Class B Notes”) (together, the “Notes”).

*This Summary is qualified in its entirety by the remainder of this Prospectus.*

<p><b>A.1 Introduction and Warnings</b></p>	<p>This summary should be read as an introduction to this prospectus (the “Prospectus”). Any decision to invest in the Notes should be based on a consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>		
<p><b>A.2 Consent to the use of the prospectus, the offer period and other conditions of use</b></p>	<p>Argentum Capital S.A. (the “Company”), acting in respect of Compartment GAP 1924 - 1925 June 2014 (the “Issuer”) consents to the use of this Prospectus in connection with the offer of the Notes during the period commencing from, and including, 22 May 2014 to, and including, 23 June 2014 (the “Offer Period”) by each of the following financial intermediaries in the Member State(s), and subject to the conditions, set out against their names for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC):</p>		
	<p><b>Intermediary</b></p>	<p><b>Member State</b></p>	<p><b>Conditions</b></p>
	<p>Garantum Fondkommission AB</p>	<p>Kingdom of Sweden</p>	<p>None</p>

	<p>The Issuer may give consent to additional financial intermediaries after the date of this Prospectus and, if it does so, it will publish the above information in relation to them at <a href="http://www.argentumcapital.lu">www.argentumcapital.lu</a> at the relevant time during the Offer Period.</p> <p>An offer of the Notes may be made, subject to the conditions set out above, during the Offer Period by any of the Issuer, the Dealer or any Authorised Offeror.</p> <p>Other than as set out above, neither the Issuer nor the Dealer has authorised the making of any offer of the Notes by any person in any circumstances and such person is not permitted to use this Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by the Dealer or any Authorised Offerors and none of the Issuer or the Dealer or any Authorised Offerors has any responsibility or liability for the actions of any person making such offers.</p> <p><b>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALER) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THIS PROSPECTUS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.</b></p>
<p><b>B.1 Legal and commercial name of the Issuer</b></p>	<p>Argentum Capital S.A., acting in respect of Compartment GAP 1924 - 1925 June 2014.</p>
<p><b>B.2 Domicile and legal form of the Issuer, legislation under which the Issuer operates and country of incorporation of Issuer</b></p>	<p>The Company has been established as a special purpose vehicle for the purpose of issuing asset backed securities having adopted the form of a public limited liability company (<i>société anonyme</i>) incorporated under the laws of the Grand Duchy of Luxembourg.</p>
<p><b>B.16 Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control</b></p>	<p>The Company has 31,000 shares, all of which are fully paid and held by Stichting Argentum. Stichting Argentum is a foundation (stichting) incorporated under the laws of The Netherlands and is not owned or controlled by any person.</p> <p>Stichting Argentum has no beneficial interest in and derives no benefit from its holding of the issued shares. It will apply any income derived by it from the Company solely for charitable purposes.</p>



	<p>Stichting Argentum’s Deed of Incorporation (which includes its articles of association) contains certain provisions ensuring Stichting Argentum does not abuse its position of control, including an express objects clause which stipulates that it exercises any and all rights attached to the shares of the Company in such a manner as to safeguard the interests of the Company and any and all persons concerned to the best of the foundation’s ability, including in relation to any of the voting rights to the shares in the Company and to perform any and all acts that may be related, incidental or which may be conducive to safeguarding such interests.</p>
<b>B.17 Issuer Ratings</b>	Not applicable - no credit rating of the Issuer or the Notes has been assigned.
<b>B.20 Statement as to whether the Issuer has been established for the purpose of issuing asset backed securities</b>	The Company has been established in Luxembourg as a special purpose vehicle for the purpose of issuing asset backed securities.
<b>B.21 Company’s principal business activities</b>	<p>The Company’s principal activities are to enter into, perform and serve as a vehicle for, any securitisation transactions as permitted under the Securitisation Act 2004.</p> <p>Credit Suisse International is the Swap Counterparty under the Swap Agreement, whose performance will affect the performance of the Notes. Furthermore Credit Suisse International acts as <b>Disposal Agent, Calculation Agent and Valuation Agent</b>.</p> <p>Credit Suisse International is the Dealer and the Arranger, The Bank of New York Mellon, London Branch is the Issuing and Paying Agent, BNY Mellon Corporate Trustee Services Limited is the Trustee, The Bank of New York Mellon (Luxembourg) S.A. is the Custodian, Paying Agent, Registrar and Transfer Agent and Sanne Group (Luxembourg) S.A. is the Corporate Services Provider in respect of the Issuer (and together with Credit Suisse International, The Bank of New York Mellon, BNY Mellon Corporate Trustee Services Limited and The Bank of New York Mellon (Luxembourg) S.A., each such entity is a “<b>Programme Party</b>”).</p> <p>Each Programme Party’s relationship with the Issuer is to act in its respective capacity described above.</p> <p>Skandinaviska Enskilda Banken AB (publ) is the <b>Swedish Agent</b>.</p>
<b>B.22 Statement that the Company has not commenced operations and no financial statements have been made up as at the date of the Prospectus</b>	Not applicable – the Issuer has commenced operations and has prepared financial statements.
<b>B.23 Selected key historical financial information about the Company</b>	<p>Selected historical key financial information of the Issuer with respect to the year ended 31 December 2013 (which has been extracted from the Issuer’s audited financial statements which are incorporated herein):</p> <p>Total Assets:.....€127,845</p>

	<p>Total Liabilities:..... €127,845</p> <p>Subscribed Capital:.....€31,000</p> <p>Total Charges.....€96,932</p> <p>Total Income.....€96,932</p>
<p><b>B.24 Description of any material adverse change since the date of the Company’s last published audited financial statements</b></p>	<p>There has been no material adverse change in the prospects of the Company since 31 December 2013, being the date of the Company’s last audited financial statements.</p>
<p><b>B.25 Description of the underlying assets</b></p>	<p>The assets securing the Notes comprise, among other things:</p> <p>(A) the rights of the Issuer under the equity swap transaction (the “<b>Class A Equity Swap Transaction</b>”) referencing hypothetical Equity Linked Warrants which are deemed to have been issued by Credit Suisse International (the “<b>Class A Attributable Warrants</b>” and the “<b>Class Attributable Warrants</b>” in respect of the Class A Notes);</p> <p>(B) the rights of the Issuer under the equity swap transaction (the “<b>Class B Equity Swap Transaction</b>”) referencing hypothetical Equity Linked Warrants which are deemed to have been issued by Credit Suisse International (the “<b>Class B Attributable Warrants</b>” and the “<b>Class Attributable Warrants</b>” in respect of the Class B Notes); and</p> <p>(C) the rights of the Issuer under credit default swap transactions (the “<b>Credit Default Swap Transactions</b>”).</p> <p>The Class A Equity Swap Transaction, the Class B Equity Swap Transaction (together, the “<b>Equity Swap Transactions</b>”) and the Credit Default Swap Transactions are entered into with the Swap Counterparty pursuant to an ISDA Master Agreement on the issue date of the Notes along with a credit support annex entered into by the same parties (the “<b>Credit Support Annex</b>”) under such ISDA Master Agreement (such ISDA Master Agreement, together with Equity Swap Transactions and the Credit Default Swap Transactions, the “<b>Swap Agreement</b>”).</p> <p>Under the Credit Support Annex, in respect of the Issuer’s exposure to the Swap Counterparty under the Credit Default Swap Transactions, the Swap Counterparty will deliver to the Custodian, certain securities meeting criteria set out in the Credit Support Annex (such securities, “<b>Eligible Securities</b>”). For so long as the Custodian (on behalf of the Issuer) is holding any Eligible Securities, they shall also comprise underlying assets for the Notes. However, the Issuer or the Trustee shall only be entitled to realise the value of such Eligible Securities in limited circumstances (being, in effect, where the Swap Counterparty is in default under the Swap Agreement or otherwise insolvent).</p>

	<p>The Class Attributable Warrants do not represent or constitute any payment or other obligations of Credit Suisse International or any other person. They are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts that are payable under the Equity Swap Transactions. The performance of the Class A Notes (but no other Class of Notes) is linked to the performance of the Equity Swap Transaction with respect to the Class A Attributable Warrants and the performance of the Class B Notes (but no other Class of Notes) is linked to the performance of the Equity Swap Transaction with respect to the Class B Attributable Warrants.</p> <p>Credit Suisse International whose business is banking and financial services and which is incorporated in England and Wales is the obligor in respect of the Equity Swap Transactions.</p>
<p><b>B.26 Parameters within which an actively managed pool of assets backing the issue is managed</b></p>	<p>Not applicable - there is no actively managed pool of assets backing the issue.</p>
<p><b>B.27 Statement regarding fungible issues</b></p>	<p>The Issuer may from time to time issue further Class A Notes or Class B Notes on the same terms as the existing relevant Class of Notes and on terms that such further Notes shall be consolidated and form a single Class with such existing Class of Notes.</p>
<p><b>B.28 Description of the structure of the transaction</b></p>	<p>On 11 July 2014 (the “<b>Issue Date</b>”), the Dealer will in consideration for the Notes, procure that the Swap Counterparty will enter into the Equity Swap Transactions and the Credit Default Swap Transactions with the Issuer. In respect of each Equity Swap Transaction, the Swap Counterparty will receive an amount equal to the aggregate issue price of the applicable Class Attributable Warrants. In respect of each Credit Default Swap Transaction, the Swap Counterparty will receive an amount equal to the Issue Price of the relevant Class of Notes <i>minus</i> the aggregate issue price of the applicable Class Attributable Warrants.</p> <p><u>Principal</u></p> <p>The Issuer will fund payments of principal on each Class of Notes out of payments received by the Issuer under the Credit Default Swap Transaction relating to such Class (with such funding being equal to 100% of the then Outstanding Principal Amount of each Class of Notes).</p> <p>In addition, amounts (determined by the Calculation Agent) will be payable on the Notes equal to the Warrant Final Redemption Amounts (or, if applicable the amount that would be received on the early redemption of the Warrants), in each case, received by the Issuer under the Equity Swap Transaction referencing the Class A Attributable Warrants (in the case of the Class A Notes) and the Equity Swap Transaction referencing the Class B Attributable Warrants (in the case of the Class B Notes).</p> <p>The amounts to be received by the Issuer under the Credit Default Swap Transactions (and therefore the amounts of principal payable</p>

	<p>on the Class of Notes to which each such Credit Default Swap Transaction relates and which are funded by such Credit Default Swap Transaction) will be dependent on the performance of certain specified entities (“<b>Reference Entities</b>” and each a “<b>Reference Entity</b>”), as more particularly described below. The Reference Entities are set out in the section of this Prospectus entitled “Description of Reference Entities”. None of the Distributor, the Issuer, the Trustee, any Agent or the Counterparty have any obligation to monitor whether any credit event has occurred or may occur in respect of a Reference Entity and/or any other developments in respect of any of the Reference Entities (either prior to the Issue Date or afterwards).</p> <p>If a credit event occurs under the Credit Default Swap Transactions in relation to any Reference Entity, then, subject to certain other requirements being met, the Notes will be required to be partially redeemed. In such circumstances, the principal amount of the Notes of such Class to be redeemed will be equal to the full notional amount of the Reference Entity in respect of which such credit event has occurred as determined pursuant to the Credit Default Swap Transaction applicable to such Class of Notes (the “<b>Reference Entity Notional Amount</b>”). Accordingly, a part of each Class of Notes is required to be redeemed each time a credit event occurs. The amount payable in respect of each such part to be redeemed will be less than the Outstanding Principal Amount of such part and will be determined as the product of (i) the Reference Entity Notional Amount of the relevant Reference Entity to which such Credit Event relates, (ii) a percentage determined under such Credit Default Swap Transaction which is intended to reflect the post-credit event value of certain debt obligations of the relevant Reference Entity and (iii) the amount paid to the Swap Counterparty in relation to the Credit Default Swap Transaction relating to such Class on the Issue Date, as described at the start of this Element B.28 (expressed as a percentage of the Issue Price of the Notes).</p> <p>The Outstanding Principal Amount of each Class of Notes (less the Reference Entity Notional Amount of each Class of Notes redeemed following the occurrence of a credit event as described above) will be redeemed at 100% of par at maturity together with payment of certain amounts attributable to the settlement of the Equity Swap Transactions.</p>
<p><b>B.29 Description of the flow of funds and other material forms of credit enhancement and providers thereof</b></p>	<p>The Swap Counterparty is Credit Suisse International whose business is banking and financial services and which is incorporated in England and Wales. In relation to each Class, the Dealer shall pay or arrange payment of an amount equal to the aggregate issue price of the Class Attributable Warrants to the Swap Counterparty under each related Equity Swap Transaction and payment of an amount equal to the Issue Price <i>minus</i> the aggregate issue price of the Class Attributable Warrants relating to such Class to the Swap Counterparty under the Credit Default Swap Transaction relating to such Class and the Dealer will procure that the Swap Counterparty will enter into the Equity Swap Transaction and the Credit Default Swap Transaction relating to such Class on the Issue Date.</p>

	Payments received by the Issuer from the Swap Counterparty under the Equity Swap Transaction, are applied, together with payment received by the Issuer from the Swap Counterparty under the Credit Default Swap Transaction relating to such Class, to make payments on the Notes of such Class.
<b>B.30 The name and description of the originators of the securitised assets</b>	Credit Suisse International whose business is banking and financial services and which is incorporated in England and Wales.
<b>C.1 Type and class of securities being offered</b>	In respect of the Class A Notes: Up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 ISIN: XS1066866531 Common Code: 106686653  In respect of the Class B Notes: Up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 ISIN: XS1066866291 Common Code: 106686629
<b>C.2 Currency</b>	The Notes will be denominated in Swedish Krona (“SEK”).
<b>C.5 Description of restrictions on free transferability of the Notes</b>	Not applicable - the Notes will be freely transferable.
<b>C.8 Rights attaching to and ranking of Notes</b>	<p>The Notes will have rights relating to, among other matters:</p> <p><b>Status and Security</b></p> <p>The Notes of each Class will represent secured, limited recourse obligations of the Issuer, ranking <i>pari passu</i> amongst themselves. In addition, the Notes of each Class will rank <i>pari passu</i> with the Notes in respect of each other Class save for any amount received by the Issuer in respect of the Equity Swap Transactions relating to such other Classes which shall not be available to the holders of such Class.</p> <p>The Issuer will grant to the Trustee the following English law governed security (the “<b>English Law Security</b>”) to secure its obligations under the Notes and the Swap Agreement:</p> <ul style="list-style-type: none"> <li>(i) a first fixed charge over the Collateral (which is comprised of any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer)) and all property, assets and sums derived therefrom (from time to time);</li> <li>(ii) an assignment by way of security of all the Issuer’s rights, title and interest attaching or relating to the Collateral (which is comprised of any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer)) and all property, sums or assets derived therefrom, including, without limitation, any right to delivery thereof or to an equivalent number or nominal value thereof which arises</li> </ul>

	<p>in connection with any such assets being held in a clearing system or through a financial intermediary;</p> <p>(iii) an assignment by way of security of the Issuer’s rights, title and interest against the Custodian, to the extent that they relate to the Collateral (which is comprised of any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer));</p> <p>(iv) an assignment by way of security of the Issuer’s rights, title and interest under the Agency Agreement, to the extent they relate to the Notes;</p> <p>(v) an assignment by way of security of the Issuer’s rights, title and interest under the Swap Agreement (without prejudice to, and after giving effect to, any contractual netting provision contained in the Swap Agreement);</p> <p>(vi) an assignment by way of security of the Issuer’s rights, title and interest under the Agency Agreement, to the extent that they relate to any assets held by the Custodian in respect of the Notes;</p> <p>(vii) an assignment by way of security of the Issuer’s rights against the Disposal Agent under the terms of the Agency Agreement (or any other agreement entered into between the Issuer and the Disposal Agent) to the extent that such rights relate to the Collateral (which is comprised of any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer));</p> <p>(viii) a first fixed charge over (A) all sums held by the Issuing and Paying Agent and/or the Custodian to meet payments due in respect of the Issuer’s secured payment obligations and (B) any sums received by the Issuing and Paying Agent under the Swap Agreement; and</p> <p>(ix) a first fixed charge over all property, sums and assets held or received by the Disposal Agent relating to the Transaction Documents and the Collateral (which is comprised of any Eligible Securities delivered to the Issuer by the Swap Counterparty from time to time and held by the Custodian (on behalf of the Issuer)),</p> <p>the foregoing being the “<b>Mortgaged Property</b>”.</p> <p>In addition, the Issuer will grant to the Trustee a Luxembourg law governed security interest in the form of a pledge over the Custodian Accounts (being any accounts opened by the Custodian on behalf of the Issuer in relation to this Series 2014-31) (the “<b>Luxembourg Law Security</b>, and together with the English Law Security, the “<b>Security</b>”).</p> <p><b>Limited Recourse and Non-Petition</b></p>
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All payments to be made by the Issuer under the Notes and the Swap Agreement will be made only from, and to the extent of the sums received or recovered by or on behalf of the Issuer or the Trustee in respect of the Mortgaged Property in accordance with the order of priority outlined below. All deliveries and payments under the Notes and the Swap Agreement will only be made from and to the extent of the Mortgaged Property in accordance with such order of priority.

Any shortfall shall be borne by the Noteholders of all Classes (on a *pari passu* and *pro rata* basis) and such shortfall shall be so borne by the Noteholders, together with the Swap Counterparty (in respect of amounts owed to it) in the reverse of the order of priority outlined below.

Furthermore, no party will be able to petition for the winding-up of the Issuer as a consequence of any such shortfall or launch proceedings against the Issuer which are based on article 98 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (“**Luxembourg Companies Act 1915**”).

#### **Priority of Claims**

Amounts received or recovered in respect of the Mortgaged Property shall be applied in the following order of priority: (i) amounts owing to the Swap Counterparty pursuant to the Credit Support Annex (which shall be equal to the lesser of (A) the Available Proceeds attributable to the Swap Counterparty’s Credit Support Balance; and (B) an amount equal to (1) the Available Proceeds attributable to the Swap Counterparty’s Credit Support Balance *minus* (2) the Early Termination Amount (whether negative or positive) with respect to the Swap Agreement), (ii) the payment or satisfaction of all taxes owing by the Issuer, (iii) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the Security (including any taxes to be paid, legal fees and remuneration) (iv) certain amounts owing to the Custodian, the Paying Agents and the other Agents in respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and fees, costs, charges, expenses and liabilities, (v) any fees of the Disposal Agent, (vi) any amounts owing to the Swap Counterparty under the Swap Agreement, (vii) fees of the Corporate Services Provider and (viii) amounts owing to the Noteholders on a *pari passu* and *pro rata* basis.

#### **Negative Pledge/Restrictions**

There is no negative pledge. However, so long as any Note remains outstanding, the Issuer will not, without the consent of the Trustee and the Swap Counterparty engage in any business other than the issuance or entry into of bonds, notes or other securities or the entry into of loans or other agreements for the payment or repayment of borrowed money, and provided always that such obligations are secured on assets of the Issuer other than its share capital and those assets securing any other obligations of the Issuer and that they are entered into on a limited recourse and non-petition basis. In

	<p>addition, the Issuer will be subject to certain other restrictions including that it will not, without the consent of the Trustee and the Swap Counterparty, declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, convey or transfer its properties or assets substantially as an entity to any person (other than as contemplated by the Conditions) or issue any further shares.</p> <p><b>Events of Default</b></p> <p>The conditions of the Notes contain the following events of default (each an “<b>Event of Default</b>”):</p> <ul style="list-style-type: none"> <li>(i) default is made for more than 14 days in the payment of any interest or Instalment Amount in respect of the Notes or any of them, other than any interest or Instalment Amount due and payable on the Maturity Date;</li> <li>(ii) the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee such default is capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been effectively given to the Issuer by the Trustee; or</li> <li>(iii) the occurrence of certain bankruptcy and insolvency related events or proceedings.</li> </ul> <p><b>Meetings</b></p> <p>The conditions of the Notes will contain provisions for convening meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p><b>Governing Law</b></p> <p>English law, save that Articles 86 to 97 of the Luxembourg Companies Act 1915 are excluded and the Luxembourg Law Security shall be governed by Luxembourg law.</p>
<p><b>C.9 Interest and yield; name of representative of debt Noteholders</b></p>	<p><b>See C.8 above, plus :</b></p> <p><b>Interest</b></p> <p>None of the Notes bear interest.</p> <p><b>Redemption</b></p> <p>See Element B.28 for information regarding redemption.</p> <p><b>Noteholder Facilitator</b></p>



	<p>Garantum Fondkommission AB (or any successor entity thereto) is the Noteholder Facilitator. However, the Noteholder Facilitator has limited rights, limited to selecting replacement swap counterparties and agents upon the occurrence of a Replacement Event in respect of the Swap Agreement.</p> <p>Garantum Fondkommission AB also acts as Distributor.</p>
<b>C.10 Explanation on how the interest amount is affected by value of the underlying</b>	Not applicable - the Notes do not bear interest.
<b>C.11 Listing</b>	<p><i>Listing and Admission to Trading</i></p> <p>Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange and to be admitted to the Official List of the Irish Stock Exchange on or about the Issue Date. Application has also been made for the Notes to be admitted to trading and listed on the regulated market of the NASDAQ OMX Stockholm AB.</p> <p><i>Distribution</i></p> <p>The Notes may be offered to the public in Sweden.</p>
<b>C.12 Minimum Denomination</b>	The minimum denomination will be SEK 10,000.
<b>D.2 Risks relating to the Issuer</b>	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes and in purchasing the Notes investors assume the risk of these. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it may currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's control. These factors could take effect individually or together and include the Issuer's exposure to Credit Suisse International (as Swap Counterparty and in its other capacities), the Issuer being exposed to the Reference Entities, the Notes being limited recourse obligations (meaning that Noteholder's claims may be extinguished if there is a shortfall in funds available to meet payments under the Notes) and related risks, that neither the Trustee nor Noteholders are entitled to petition or take any other step for the winding-up of or the appointment of an examiner to the Issuer and further issues of Notes by the Issuer.
<b>D.3 Risks relating to the Notes</b>	There are also certain factors which are material for the purpose of assessing the risks associated with Notes. These include the fact that such Notes may not be a suitable investment for all investors (for example if they do not have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Issuer in context of their financial position or are not capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time), the Swap Agreement (for example its possible early termination in various circumstances which would result in the cancellation of the Notes), the related

	<p>credit exposure to Credit Suisse International, principally as Swap Counterparty. Any default by Credit Suisse International may significantly affect the return on the Notes and/or delay the redemption of the Notes and may result in an investor losing their entire investment in the Notes.</p> <p>Events (which may be, among others, political, economic, geographical or industry related) that occur in respect of the Reference Entities, which are banks and may be subject to a variety of factors that may affect their performance and the likelihood of the occurrence of credit events under the Credit Default Swap Transactions, may materially affect the value and performance of the Notes and may result in a loss of all, or a significant proportion of, an investor's investment in the Notes.</p> <p>Also, events (which may be, among others, political, economic, geographical or industry related) affecting companies whose shares are included in the basket of shares referenced in the Class A Attributable Warrants or the Class B Attributable Warrants, may materially affect the performance of the relevant Equity Swap Transactions and accordingly, affect the value and performance of the relevant Notes.</p> <p>Other risks, including, without limitation, sovereign risk, Eurozone risk and political, economic, geographical or industry related risks that are not directly related to the Reference Entities or the shares referenced directly, or indirectly, in the Equity Swap Transactions, may also materially affect the value and performance of the Notes.</p> <p>The Notes are intended to be held until maturity and there can be no assurance that any investor will be able to realise their investment in the Notes. Furthermore, the risks outlined above may make it more difficult for investors to realise their investment prior to maturity. In addition, business relationships between the parties to the Notes and conflicts of interest may adversely affect the value of the Notes.</p>
<p><b>E.2b Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks</b></p>	<p>In consideration for the issue of the Notes by the Issuer, the Dealer will procure that the Swap Counterparty will enter into the Equity Swap Transactions and the Credit Default Swap Transactions with the Issuer.</p>
<p><b>E.3 Terms and conditions of offer</b></p>	<p><b>Offer Period</b></p> <p>Applications to subscribe for the Notes may be made immediately following passporting of the Prospectus into Sweden until the end of the Offer Period being 23 June 2014.</p> <p><b>Early Closing of the Subscription of the Notes</b></p> <p>The Issuer reserves the right for any reason to close the Offer Period early.</p> <p>Any early closure of the Offer will be published on the Irish Stock Exchange's website (<a href="http://www.ise.ie">www.ise.ie</a>).</p>

	<p><b>Description of the application and settlement process</b></p> <p>A prospective investor should contact the Distributor (Garantum Fondkommission AB) during the Offer Period. A prospective investor will acquire the Notes in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally and not directly with the Issuer or the Dealer.</p> <p>Persons interested in purchasing Notes should contact their financial adviser. If an investor in any jurisdiction other than Sweden wishes to purchase Notes, such investor should (a) be aware that sales in the relevant jurisdiction may not be permitted due to selling restrictions and thus that the application may be rejected by the Distributor; and (b) contact its financial adviser, bank or financial intermediary for more information.</p> <p>The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys by debit of a cash amount on or before the Issue Date or in accordance with other procedures specified by the Distributor. Allotted Notes will be delivered to a securities account of each Noteholder as soon as practicable after the Issue Date.</p> <p><b>Offer Price</b></p> <p>In respect of each Class of Notes, the Issue Price in respect of such Class plus a subscription fee of up to 2% of such Issue Price. Such subscription fee shall be charged by and payable to the Distributor, and, for the avoidance of doubt, shall not be payable by the Issuer or the Swap Counterparty.</p> <p><b>Conditions to which the offer is subject and results of the offer</b></p> <p>Offers of the Notes are conditional on their issue. The Issuer will in its sole discretion determine the final amount of Notes issued up to a limit of (i) SEK 500,000,000 in respect of the Class A Notes and (ii) SEK 500,000,000 in respect of the Class B Notes. Notes will be allotted subject to availability in the order of receipt of investors' applications. The final Aggregate Nominal Amount of the Notes issued will be determined by the Issuer in light of prevailing market conditions, and in its sole and absolute discretion depending on the number of Notes which have been agreed to be purchased as of 23 June 2014. The precise Aggregate Nominal Amount of Notes to be issued will be published on the Irish Stock Exchange's website (<a href="http://www.ise.ie">www.ise.ie</a>) and filed with the Central Bank.</p>
<p><b>E.4 Interest material to issue including conflicting interests</b></p>	<p>The total commissions payable to the Distributor in respect of the issue of the Notes will not exceed 6% of the Aggregate Nominal Amount of the Notes issued.</p>
<p><b>E.7 Estimated expenses charged to investor</b></p>	<p>Not applicable, there are no expenses charged to the investor by the Issuer or an offeror.</p>

## RISK FACTORS

*The purchase of the Notes may involve substantial risks and is suitable only for sophisticated purchasers who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. The Issuer believes that the following factors may affect either its ability to fulfil its obligations under the Notes or the performance of the Notes. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer believes that the factors described below, together with the risk factors set out in the Base Prospectus, represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay principal, any Additional Payout Amount or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus, including, without limitation:*

- (a) the section entitled “Transaction Description” including the sub-section entitled “General Transaction Information” and (i) if investing in the Class A Notes, the sub-section entitled “Class A Notes Transaction Information” and (ii) if investing in Class B Notes, the sub-section entitled “Class B Notes Transaction Information”. Each of the sub-sections entitled “Class A Notes Transaction Information” and “Class B Notes Transaction Information” are referred to in this Prospectus as the “**Relevant Transaction Information Section**” in respect of the Class of Notes to which they relate;*
- (b) the section entitled “Questions and Answers”;*
- (c) the section entitled “Description of the Reference Entities”;*
- (d) the section entitled “Description of the Reference Obligations”;*
- (e) the section entitled “Description of the Class Attributable Warrants”; and*
- (f) the Base Prospectus (including the section entitled “Risk Factors” on page 17 thereof),*

*and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision.*

*Prospective investors must note that the potential return on the Notes is not expected to be the same across the Classes for the reasons outlined in more detail below and in the other sections of this Prospectus.*

### **Offer Period**

The Issuer reserves the right to refrain from commencing the offer of the Notes prior to the commencement of the Offer Period or withdrawing the offer of the Notes at any time during the Offer Period. If the offer of such Notes is withdrawn, such offer will be null and void. In such case, any amounts paid by an investor to the Distributor in relation to the purchase of any Notes will be returned to such investor by the Distributor but, depending on the agreement(s) in place between the investor and the Distributor and/or the Distributor’s distribution policies, interest may or may not accrue on such amounts. There may also be a time lag between the cancellation or withdrawal of the offer as applicable, and the return of any such amounts and, unless otherwise agreed with, and paid by, the Distributor, no amount will be payable to investors as compensation in respect thereof and investors may be subject to reinvestment risk.

In addition, the Issuer may close the offer of Notes early, whether or not subscriptions have reached the maximum size of the offer, by immediately suspending the acceptance of further subscription requests and

by giving notice thereof. In such circumstances, the early closing of the offer will have an impact on the aggregate amount of the Notes issued and therefore may have an effect on the liquidity of the Notes.

Furthermore, in certain circumstances, the Issuer may have the right to postpone the originally designated issue date of the Notes. In the event that the issue date is so delayed, no compensation or other amount in respect of interest shall accrue and be payable in relation to the Notes, unless otherwise agreed with the Distributor and/or specified in its distribution policies, and paid by the Distributor. Investors will have the right, within a prescribed time period, to withdraw their acceptance of the offer as a result of such postponement.

### **Exposure to Credit Suisse International**

Even though the Notes are not issued by Credit Suisse International, Credit Suisse International acts as the Swap Counterparty under the Swap Agreement as well as Disposal Agent, Valuation Agent and Calculation Agent. Exposure of Noteholders to Credit Suisse International in each of these capacities is described below and elsewhere in this Prospectus.

It is important that prospective investors are aware of the extent of the aggregate exposure to Credit Suisse International.

In the event of the insolvency of Credit Suisse International, the value of the Notes would drop significantly and an investor may lose some or, potentially, all of their investment in the Notes. In addition, in such circumstances, unless a replacement Swap Counterparty was appointed within 30 calendar days of any such occurrence, as described in more detail below (and in respect of which no assurance can be given), the Swap Agreement would terminate and the Notes would be subject to early redemption.

As Credit Suisse International is also the Disposal Agent, an insolvency of Credit Suisse International would be likely to cause a significant delay in the sale of any Eligible Securities delivered to the Issuer under the Credit Support Annex, (which may only be so sold in connection with an early redemption of the Notes as a result of a termination of the Swap Agreement occurring as a result of the occurrence of an Event of Default in respect of the Swap Counterparty thereunder) and therefore also a significant delay in the redemption of the Notes. Such delays may potentially last for months or years and investors may never recover their investment in whole or at all.

More generally, Credit Suisse International may be subject to certain other conflicts of interest in connection with its roles under the Notes as described in more detail below.

### ***Risks relating to the business of Credit Suisse International as Swap Counterparty and other capacities in respect of the Notes***

Certain risks, including those described below, may impact the ability of Credit Suisse International to execute its strategy and affects its business activities, financial condition, results of operations and prospects. Because the business of a broad-based international financial services firm such as Credit Suisse International is inherently exposed to risks that become apparent only with the benefit of hindsight, risks of which it is not presently aware or which it currently does not consider material could also impact its ability to execute its strategy and affect its business activities. The sequence in the risk factors presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

#### *Regulatory and legislative changes may adversely affect Credit Suisse International's business*

Fundamental changes in the laws and regulations affecting financial institutions could have a material and adverse effect on Credit Suisse International's business. In the wake of the 2007-2009 financial crisis and the continuing instability in global financial markets, regulators and legislators have proposed, have adopted or are actively considering, a wide range of changes to these laws and regulations. These measures are

generally designed to address the perceived causes of the crisis and to limit the systemic risks posed by major financial institutions.

A number of measures have been adopted and will be implemented over the next several years; some are subject to legislative action or to further rulemaking by regulatory authorities before final implementation. As a result, there is a high level of uncertainty regarding a number of the measures, including whether (or the form in which) they will be adopted, the timing and content of implementing regulations and interpretations and/or the dates of their effectiveness.

Notwithstanding attempts by regulators to co-ordinate their efforts, the measures adopted or proposed differ significantly across the major jurisdictions, making it increasingly difficult to manage a global institution. The absence of a co-ordinated approach, moreover, disadvantages institutions headquartered in jurisdictions that impose relatively more stringent standards. The United Kingdom has adopted capital and liquidity requirements for its major international banks that are some of the strictest among the major financial centres. This could disadvantage financial institutions incorporated in England and Wales such as Credit Suisse International when they compete with peer financial institutions subject to more lenient regulation or with unregulated non-bank competitors.

The planned and potential regulatory and legislative developments in the United Kingdom and in other jurisdictions in which Credit Suisse International has operations may have a material adverse effect on its business, on the profitability or viability of certain business lines globally or in particular locations, and in some cases on its ability to compete with other financial institutions. They are likely to be costly to implement and could also have a negative impact on Credit Suisse International's legal structure or business model. Finally, the uncertainty related to or the implementation of legislative and regulatory changes may have a negative impact on Credit Suisse International's relationships with clients and its success in attracting client business.

*Performance in the financial services industry is affected by market conditions and the macro-economic climate*

The financial services industry prospers in conditions of economic growth; stable geopolitical conditions; transparent, liquid and buoyant capital markets and positive investor sentiment. An economic downturn, continued low interest rates or a severe financial crisis can negatively affect Credit Suisse International's revenues and ultimately its capital base.

A market downturn and weak macro-economic conditions can be precipitated by a number of factors, including geopolitical events, changes in monetary or fiscal policy, trade imbalances, natural disasters, pandemics, civil unrest, war or terrorism. Because financial markets are global and highly interconnected, even local and regional events can have widespread impacts well beyond the countries in which they occur. A crisis could develop, regionally or globally, as a result of disruptions in emerging markets as well as developed markets that are susceptible to macro-economic and political developments, or as a result of the failure of a major market participant. Credit Suisse International has material exposures to a number of these markets. Moreover, its strategic plans depend more heavily upon its ability to generate growth and revenue in the emerging markets, causing it to be more exposed to risks associated with them. The unresolved Eurozone and US fiscal issues demonstrate that macro-economic and political developments can have unpredictable and destabilising effects. Adverse developments of these kinds have affected Credit Suisse's businesses in a number of ways and may continue to have further adverse effects on its businesses.

Because Credit Suisse International has very substantial exposures to other major financial institutions, the failure of one or more of such institutions could have a material effect on it.

*Operational risk may increase costs and impact revenues of Credit Suisse International*

All of Credit Suisse International's businesses are dependent on its ability to process a large number of complex transactions across multiple and diverse markets in different currencies, to comply with the

requirements of many different legal and regulatory regimes to which it is subject and to prevent, or promptly detect and stop, unauthorised, fictitious and fraudulent transactions. Credit Suisse International's operational risk management and control systems and processes are designed to help ensure that the risks associated with its activities, including those arising from process error, failed execution, fraud, systems failure, cyber-attacks, breaches of information security and failure of security and physical protection, are appropriately controlled. Although Credit Suisse International is continuously adapting its capability to detect and respond to these risks, if Credit Suisse International's internal controls fail or prove ineffective in identifying and remedying such risks, it could suffer operational failures that might result in material losses. In addition, despite the contingency plans Credit Suisse International has in place, its ability to conduct business may be adversely affected by a disruption in the infrastructure that supports its businesses and the communities in which it is located. This may include a disruption due to natural disasters, pandemics, civil unrest, war or terrorism and involve electrical, communications, transportation or other services used by it or third parties with whom it conducts business.

*Credit Suisse International might be unable to identify or capture revenue or competitive opportunities, or retain and attract qualified employees*

The financial services industry is characterised by intense competition, continuous innovation, detailed (and sometimes fragmented) regulation and ongoing consolidation. Credit Suisse International faces competition at the level of local markets and individual business lines, and from global financial institutions that are comparable to Credit Suisse International in their size and breadth. Barriers to entry in individual markets and pricing levels are being eroded by new technology. Credit Suisse International expects these trends to continue and competition to increase.

Credit Suisse International's competitive strength and market position could be eroded if it is unable to identify market trends and developments, does not respond to them by devising and implementing adequate business strategies, adequately developing or updating its technology (particularly in trading businesses), or is unable to attract or retain the qualified people needed to carry them out.

*Material legal and regulatory risks arise in the conduct of Credit Suisse International's business*

The nature of Credit Suisse International's business subjects it to significant regulatory oversight and liability risk. Credit Suisse International is subject to many different legal, tax and regulatory regimes. Credit Suisse International is involved in a variety of claims, disputes, legal proceedings and government investigations in jurisdictions where it is active. These proceedings expose it to substantial monetary damages and legal defence costs, injunctive relief and criminal and civil penalties, in addition to potential regulatory restrictions on its businesses. The outcome of most of these matters, and their potential effect on Credit Suisse International's future business or financial results, is extremely difficult to predict. Considering Credit Suisse International's overall exposures and the current regulatory and political climate affecting financial institutions, it expects charges associated with legal, regulatory and similar matters to remain at elevated levels at least through 2014.

A further summary of economic, regulatory and other issues relevant to Credit Suisse International, as well as to other entities is included under "*Recent Global Events*" below.

A description of Credit Suisse International is set out under the section of this Prospectus entitled "*Description of Credit Suisse International*". Prospective investors should note that this replaces the description of Credit Suisse International set out under the section of the Base Prospectus entitled "*Description of the Swap Counterparty*"; which is not incorporated into this Prospectus.

## **Nature of the Notes**

None of the Issuer, the Trustee, the Agents or Credit Suisse International or any of its affiliates makes any representation as to the performance of any Class of Notes either in absolute terms or relative to other investments. Prospective investors must note that they may lose their entire investment in the Notes and must

only invest in the Notes if they fully understand the nature and risks of the Notes and also are prepared to risk such loss. Furthermore, prospective investors must note that the performance and value of one Class of Notes may vary compared to the performance and value of each other Class of Notes. The payouts relating to each Class of Notes are set out in more detail in the Relevant Transaction Information Section relating to such Class of Notes.

The Notes are highly complex investments and involve a high level of risk. The performance of, and return under, each Class of Notes will depend on a variety of different factors (in addition to those set out in the risk factors set out in the Base Prospectus) specific to the Notes including, but not limited to:

- (a) the performance and financial condition of each of the Reference Entities referenced in the Credit Default Swap Transaction relating to such Class of Notes (such Reference Entities being identical across all Credit Default Swap Transactions), the Reference Obligations relating thereto and any other Obligations of such Reference Entities, as described below and in the section entitled “*Transaction Description*” (including, in particular, in respect of each Class of Notes, the Relevant Transaction Information Section relating thereto), the exposure to which extends, for the purposes of these Notes, back to 27 April 2014, as described in more detail below;
- (b) the performance of the Class Attributable Warrants, in particular (a) the Class A Attributable Warrants (and the shares and EUR/SEK foreign exchange rate referenced therein) referenced by the Equity Swap Transaction in respect of the Class A Notes and (b) the Class B Attributable Warrants (and the shares and USD/SEK foreign exchange rate referenced therein) referenced by the Equity Swap Transaction in respect of the Class B Notes;
- (c) the performance and financial condition of Credit Suisse International, in its various capacities in respect of the Notes including, without limitation, as (i) Swap Counterparty in respect of the Swap Agreement, (ii) Calculation Agent responsible for making calculations and determinations under the Notes and the Swap Agreement, (iii) Disposal Agent responsible for liquidating any Eligible Securities delivered to the Issuer under the Credit Support Annex and (iv) Valuation Agent responsible for making certain determinations under the Credit Support Annex relating to the Swap Agreement (subject, in respect of its functions as Swap Counterparty, Calculation Agent, Disposal Agent and Valuation Agent to its potential replacement as a result of a Swap Counterparty Default under the Swap Agreement or a Moody’s Ba1/P-3 Downgrade as described in more detail below);
- (d) the performance and value of any Eligible Securities delivered to the Issuer under the Credit Support Annex in connection with the Issuer’s exposure to the Swap Counterparty under the Swap Agreement, together with the performance and financial condition of any obligor in respect of such Eligible Securities;
- (e) the performance and financial condition of any replacement Swap Counterparty, Calculation Agent, Disposal Agent and/or Valuation Agent, from time to time, in the event that Credit Suisse (or any replacement thereof) is ever replaced in any of such capacities as a result of a Swap Counterparty Default under the Swap Agreement or a Moody’s Ba1/P-3 Downgrade), as described in more detail below; and
- (f) any determinations made, or not made, by any Credit Derivatives Determinations Committee which relate to the Reference Entities, Reference Obligations and/or other Obligations referenced in the Credit Default Swap Transaction relating to such Class of Notes (which determinations made or not made will be identical across all Credit Default Swap Transactions), as described in more detail below.

The occurrence of certain events or other developments occurring in respect of one, some or all of the above may have an effect on the liquidity of the Notes and may have a material adverse effect on the value of the



Notes of any Class or all Classes and the value of such Notes may fall to zero. Furthermore, the occurrence of any such events or developments may also reduce the amount payable under the Notes, potentially to zero.

The Issuer's ability to meet its obligations under the Notes will also be dependent on the Principal Paying Agent, the other Paying Agents and the Custodian performing their respective obligations under the Transaction Documents, including the making of relevant payments when received.

Accordingly, Noteholders are exposed, among other things, to the creditworthiness of (a) Credit Suisse International as Swap Counterparty, Disposal Agent, Valuation Agent and Calculation Agent, (b) the Reference Entities, (c) the Principal Paying Agent, (e) the other Paying Agents and (f) the Custodian.

More detail in respect of certain risks relating to the factors outlined above, along with other risks associated with the Notes are set out below, and elsewhere in this Prospectus and in the risk factors outlined in the Base Prospectus. Accordingly, prospective investors who consider purchasing the Notes should reach an investment decision only after carefully considering the suitability of the Notes in light of their particular circumstances. Investment in the Notes may only be suitable for investors who:

- (a) have substantial knowledge and experience in financial, business matters and expertise in assessing credit risk which enable them to evaluate the merits and risks of an investment in the Notes and the rights attaching to the Notes;
- (b) are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time;
- (c) are acquiring the Notes for their own account (as principal and not as agent) for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control);
- (d) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all; and
- (e) are prepared to risk a loss of their entire investment in the Notes as a result of events that occur in respect of the Reference Entities that are referenced in the Credit Default Swap Transactions (along with the Reference Obligations and other Obligations relating thereto) not just from the Issue Date but from 27 April 2014.

#### **Payments of Additional Payout Amounts and postponement of scheduled maturity of the Notes**

The Additional Payout Amount (if any) relating to a Class of Notes will be an amount equal to the aggregate Warrant Final Redemption Amounts (if any) payable under the Equity Swap Transaction relating to such Class of Notes on the Warrant Final Redemption Date of the relevant Class Attributable Warrants.

Accordingly, the return to an investor on the Scheduled Maturity Date in such circumstances will, in part, depend on the performance of the Class A Attributable Warrants (if such investment was in Class A Notes), or the Class B Attributable Warrants (if such investment was in Class B Notes). In the event that:

- (a) due to the terms of the Class A Attributable Warrants, no Warrant Final Redemption Amounts are payable thereunder, no amount will be payable under the relevant Equity Swap Transaction and no Additional Payout Amount will be payable in respect of any Class A Notes; or
- (b) due to the terms of the Class B Attributable Warrants, no Warrant Final Redemption Amounts are payable thereunder, no amount will be payable under the relevant Equity Swap Transaction and no Additional Payout Amount will be payable in respect of any Class B Notes,

and, in each case the Issuer shall be required to pay 100% of the then Outstanding Principal Amount (as the same may have been reduced as a result of Credit Events pursuant to the relevant Credit Default Swap Transaction) of any (i) Class A Notes (where (a) above applies) or (ii) Class B Notes (where (b) above applies) held by an investor;

in each case in connection with the redemption of such investor's Notes of the applicable Class.

Certain risks in respect of the Class A Attributable Warrants and the Class B Attributable Warrants are set below and a description of each of the Class A Attributable Warrants and Class B Attributable Warrants is set out in Part A and Part B respectively, of the section of this Prospectus entitled "*Description of the Class Attributable Warrants*".

The performance of the Class A Attributable Warrants and the Class B Attributable Warrants is expected to be different. Accordingly, investors should note that different Additional Payout Amounts may be payable in respect of one Class of Notes compared with any other Class of Notes and it may be the case that (i) an Additional Payout Amount may be payable in respect of the Class A Notes but not in respect of the Class B Notes, or (ii) an Additional Payout Amount may be payable in respect of the Class B Notes but not in respect of the Class A Notes.

Therefore holders of a particular Class of Notes may receive less than holders of some or all of the other Classes of Notes as a result of the performance of the Class Attributable Warrants.

Please see, in particular, the section below in these risk factors entitled: "*Certain risks relating to the baskets of shares referenced in the Class A Attributable Warrants and the Class B Attributable Warrants*" and (ii) the section of this Prospectus entitled "*Description of the Class Attributable Warrants*".

## **The Warrants**

**Investors must note that on redemption the amount due by the Swap Counterparty under each Credit Default Swap Transaction is 100% of the then Outstanding Principal Amount of the Notes. Investors will therefore be dependent, on the performance of the relevant Class Attributable Warrants referenced by the Equity Swap Transaction relating to their Class of Notes for any further return on their Notes.**

The Class Attributable Warrants are hypothetical instruments deemed to be in existence for the purpose of determining certain amounts that are payable under the Equity Swap Transactions. The Class Attributable Warrants do not represent or constitute any payment or other obligations of Credit Suisse International or any other person and references in this Prospectus to the Class Attributable Warrants or any of them must be construed accordingly. The Issuer, and therefore (indirectly) the holders of the Notes, do not have any exposure to the issuer of the Class Attributable Warrants but, instead, the Issuer, and therefore (indirectly) the Noteholders, are exposed to the performance of the Swap Counterparty under the Equity Swap Transactions because the Swap Counterparty is obliged to pay to the Issuer amounts equal to amounts which would have been payable under the Class Attributable Warrants had they actually been in issue.

The amount payable on each Class of Notes on maturity will depend on the performance of the Class Attributable Warrants referenced by the Equity Swap Transaction relating to such Class. Accordingly, the performance of the Class Attributable Warrants referenced by the Equity Swap Transaction relating to a Class of Notes will determine whether any Additional Payout Amounts are payable on such Class of Notes and, if so, how much.

The Class A Attributable Warrants are equity and foreign exchange linked securities, the settlement payouts under which depend on the performance of the applicable basket of shares specified in respect of the Class A Attributable Warrants together with the EUR/SEK foreign exchange rate.

The Class B Attributable Warrants are equity and foreign exchange linked securities, the settlement payouts under which depend on the performance of the applicable basket of shares specified in respect of the Class B Attributable Warrants together with the USD/SEK foreign exchange rate.

A number of market, economic, legal and regulatory and other factors may affect the performance of the shares and/or the EUR/SEK foreign exchange rate referenced in the Class A Attributable Warrants and the USD/SEK foreign exchange rate referenced in the Class B Attributable Warrants (and therefore the performance of the Warrants themselves). Such factors may include, without limitation, interest rates, currency exchange rates, geographically and industrially specific economic factors linked to the geographical areas and industrial sectors of the companies to which such shares relate, sovereign credit risk and the stability of the financial system among others. Investors must not invest in any of the Notes unless they are able to fully understand the terms of the Class Attributable Warrants and assess the risks associated with the Class Attributable Warrants and understand that the performance of each Equity Swap Transaction and each related Class of Notes is dependent on the performance of the Class Attributable Warrants referenced by the Equity Swap Transaction relating to such Class of Notes.

Investors must carefully review the terms of each of the Class A Attributable Warrants and the Class B Attributable Warrants, together with the sections of this Prospectus entitled “*Transaction Description – Warrants*” and “*Description of the Class Attributable Warrants*”. Investors should also review the Base Prospectus relating to the Warrants dated 10 July 2013 (the “**Warrants Base Prospectus**”) under which the Warrants are issued and which highlights additional risk factors in connection with the Warrants. The Warrants Base Prospectus is available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Credit Suisse International acts in a number of capacities in respect of, and related to, the Notes, including, as Swap Counterparty in respect of the Equity Swap Transactions. Accordingly, investors are also exposed to the credit risk of Credit Suisse International as Swap Counterparty. If Credit Suisse International were to default under its obligations under an Equity Swap Transaction as a result of insolvency, bankruptcy or for any other reason, then the value of the related Class of Notes would be significantly affected and may even fall to zero. It is also highly likely in such circumstances that an Early Redemption Event would occur in respect of the Notes. More detail regarding the exposure to Credit Suisse International in respect of the Notes is set out above and below including, without limitation, under “*Risks relating to Credit Suisse International as Swap Counterparty and other capacities in respect of the Notes*” and “*Recent Global Events*”.

***Certain risks relating to the baskets of shares referenced in the Class A Attributable Warrants and Class B Attributable Warrants***

The shares referenced in the Class A Attributable Warrants relate to ten companies which operate in a wide variety of business areas including, telecommunications, oil and gas, energy, beverages, pharmaceuticals and healthcare, chemicals and insurance. Each of these companies has significant operations in Europe but also has significant international operations.

The shares referenced in the Class B Attributable Warrants relate to ten companies which operate in a wide variety of business areas including, among others, oil and gas, pharmaceuticals, chemicals, food, beverages, communications, clothing, construction and nutrition and hygiene. Each of these companies has significant operations in the United States and in Europe but also has significant international operations.

Accordingly, the performance of each of the companies whose shares are referenced in the Class A Attributable Warrants and the Class B Attributable Warrants may be significantly affected by market developments in each of the business areas in which it operates as well as economic, political and natural developments, changes and disasters that occur in respect of the regions in which it operates. Furthermore, in connection with businesses generally, the performance of each such company is likely to be affected by macro-economic issues affecting business on a continental and global basis. Other matters, such as litigation, regulatory changes, competition, management and other issues may also have a significant effect on the performance of any company, and its shares, referenced in the Class A Attributable Warrants and the Class B Attributable Warrants.

The Warrant Final Redemption Amounts payable in respect of each of the Class A Attributable Warrants and the Class B Attributable Warrants (which is a component in determining the Additional Payout Amount, if any, payable in respect of the Class A Notes and the Class B Notes respectively) are determined pursuant to a formula set out in the terms of such Warrants (as described in more detail in the sections of this Prospectus entitled “*Transaction Description*” (in particular, in respect of each Class of Notes and related Class Attributable Warrants, the Relevant Transaction Information Section relating to such Class of Notes) and “*Description of the Class Attributable Warrants*”). Pursuant to this formula, such Warrant Final Redemption Amounts (which is a component in determining the Additional Payout Amount under the related Notes) in respect of each of the Class A Attributable Warrants and the Class B Attributable Warrants are significantly dependent on the aggregate average share price of the shares referenced in such Class Attributable Warrants on the monthly Averaging Dates falling during the duration of such Class Attributable Warrants being higher than the aggregate share price of such shares as at the Initial Setting Date as well as any variations in the EUR/SEK foreign exchange rate as described below (in respect of the Class A Attributable Warrants) and the USD/SEK foreign exchange rate as described below (in respect of the Class B Attributable Warrants). Accordingly, the worse one or more companies performs on one or more Averaging Dates in respect of the relevant Class Attributable Warrants the lower the Warrant Final Redemption Amounts in respect of such Warrants (which may have the effect of reducing the Additional Payout Amount in respect of the related Class of Notes) will be and may even cause such Warrant Final Redemption Amounts (and related Additional Payout Amount) to be zero.

It is important to note that the average share price of each share comprised in the basket of shares referenced by the Class A Attributable Warrants and the Class B Attributable Warrants is determined by reference to such share prices on a monthly basis on each Averaging Date. Accordingly, it is the price of such share on such Averaging Dates that is relevant and not the price of such share at any other time for the purposes of the formula applied in determining the Warrant Final Redemption Amounts due under such Class Attributable Warrants. Accordingly, while the price of one or more shares comprised in the basket of shares for a particular Warrant may, on average, increase during the duration of the relevant Warrants, this may not be reflected in the performance of the relevant Class Attributable Warrants.

***Certain risks relating to the EUR/SEK foreign exchange rate referenced in the Class A Attributable Warrants***

The formula for determining the Warrant Final Redemption Amounts in respect of the Class A Attributable Warrants (and accordingly the Additional Payout Amount, if any, in respect of the Class A Notes) also references a EUR/SEK foreign exchange rate. This will change on a daily basis from its position as at the day preceding the Initial Setting Date in respect of the Class A Attributable Warrants and will affect the performance of the Class A Attributable Warrants relating to the Class A Equity Swap Transaction and, accordingly, the return on the Class A Notes and such effect may be negative as well as positive.

***Certain risks relating to the USD/SEK foreign exchange rate referenced in the Class B Attributable Warrants***

The formula for determining the Warrant Final Redemption Amounts in respect of the Class B Attributable Warrants also references a USD/SEK foreign exchange rate. This will change on a daily basis from its position as at the day preceding the Initial Setting Date in respect of the Class B Attributable Warrants and is determined by reference to the applicable daily fixing rate of exchange of SEK1 per EUR 1 divided by the daily fixing rate of exchange of USD per EUR 1. Accordingly, fluctuations in the level of the USD/SEK foreign exchange rate (including those arising as a result of fluctuations in the EUR/USD exchange rate) affect the performance of the Class B Attributable Warrants relating to the Class B Equity Swap Transaction and accordingly, the Class B Notes and such effect may be negative as well as positive.

***Disruption Events in respect of the Class Attributable Warrants***

Credit Suisse International as Calculation Agent in respect of the Equity Swap Transactions may determine that a Market Disruption Event or a Jurisdictional Event (each as defined in the terms and conditions of the

Warrants) has occurred under the Class A Attributable Warrants and/or Class B Attributable Warrants on a relevant Averaging Date, Initial Setting Date or Warrant Final Valuation Date. Market Disruption Events include events relating to the early closure of the relevant stock exchange, suspension or limitation of trading of any relevant share referenced in such Class Attributable Warrants or, any event that disrupts or impairs the ability of market participants to effect transactions in or obtain market values for any relevant share referenced in such Class Attributable Warrants. A Jurisdictional Event may occur as a result of future risks in or connected with the jurisdiction of the shares referenced in the relevant Class Attributable Warrants, and may include (but are not limited to), risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange 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). Any such determination by Credit Suisse International as Calculation Agent in respect of the Equity Swap Transactions that a Market Disruption Event or Jurisdictional Event has occurred, may have an adverse effect on the value of the relevant Equity Swap Transaction and may significantly delay the settlement date of such Class Attributable Warrants and, accordingly, the final payment under the relevant Equity Swap Transaction and the Maturity Date of the Notes.

#### ***Additional Disruption Events in respect of the Class Attributable Warrants***

If Credit Suisse International as Calculation Agent in respect of the Equity Swap Transactions determines that, in respect of any Class Attributable Warrants, a Change in Law, Foreign Ownership, FX Disruption, Hedging Disruption or Increased Cost of Hedging (each as defined in the section applicable to such Class Attributable Warrants set out in the section of this Prospectus entitled “*Description of the Class Attributable Warrants*”) has occurred or an Insolvency Filing, Loss of Stock Borrow or Increased Cost of Stock Borrow Disruption Event has occurred (each such event, being an “**Additional Disruption Event**” in respect of the relevant Class Attributable Warrants), Credit Suisse International as Calculation Agent in respect of the Equity Swap Transactions shall determine (i) that such adjustments be made to the terms of the relevant Class Attributable Warrants to take account of such Additional Disruption Event or (ii) that no adjustments to the terms of the relevant Class Attributable Warrants would achieve a commercially reasonable result and as such it may deem that all the Class Attributable Warrants affected by such Additional Disruption Event would be cancelled and redeemed at an amount, determined by the Calculation Agent in its sole discretion and acting in a commercially reasonable manner, equal to their fair market value (less certain costs that would be incurred in respect of terminating any hedging arrangements relating to such Class Attributable Warrants).

Accordingly, the occurrence of any Additional Disruption Event may have an adverse effect on the value of the Class Attributable Warrants to which it relates and therefore the Equity Swap Transaction referencing such Class Attributable Warrants and the related Class of Notes. Furthermore, as a result of such adjustment or deemed early redemption occurring in respect of the relevant Class Attributable Warrants as a result of such Additional Disruption Event, the Additional Payout Amount, if any, payable on redemption of the relevant Class of Notes may be significantly lower than if such Additional Disruption Event had not occurred and may even be zero. Such Additional Disruption Event could also delay the settlement date of the relevant Class Attributable Warrants and, accordingly, the final payment under the relevant Equity Swap Transaction and the Maturity Date of the Notes.

#### ***Further Adjustments in respect of the Warrants in respect of the Class A Notes and the Class B Notes***

Pursuant to the terms of the Class A Attributable Warrants and/or the Class B Attributable Warrants, Extraordinary Events in respect of the shares referenced in such Class Attributable Warrants (including merger events, tender offers, de-listing events, nationalisation and insolvency), as well as certain Potential Adjustment Events, may occur. If Credit Suisse International, as Calculation Agent in respect of the Equity Swap Transactions referencing such Class Attributable Warrants determines that any such event has occurred it may make such adjustments to the terms of the relevant Class Attributable Warrants, including in connection with the shares referenced therein and any calculations or determinations made, or to be made, in connection with amounts payable in respect of such Class Attributable Warrants to account for such event. In

respect of Extraordinary Events only, if Credit Suisse International as Calculation Agent in respect of the Equity Swap Transactions referencing such relevant Class Attributable Warrants determines that no adjustments to the terms of the relevant Class Attributable Warrants would achieve a commercially reasonable result, then it may deem that all the Class Attributable Warrants affected by such Additional Disruption Event would be cancelled and redeemed at an amount, determined by the issuer of the relevant Class Attributable Warrants in its sole discretion and acting in a commercially reasonable manner, equal to their fair market value (less certain costs that would be incurred in respect of terminating any hedging arrangements relating to such Class Attributable Warrants).

Accordingly, any such events may have a significant, negative effect on the value of the Class Attributable Warrants and may reduce any Warrant Final Redemption Amount in respect of the relevant Class Attributable Warrants and accordingly the amount payable under the Equity Swap Transaction referencing such Class Attributable Warrants and the Additional Payout Amount payable on the relevant Class of Notes.

### **The Credit Default Swap Transactions**

Each Class of Notes is credit linked as a result of the Credit Default Swap Transaction relating to such Class of Notes. The terms of the Credit Default Swap Transactions relating to each Class shall be identical save for (a) the Class Notional Amount which, in respect of each Credit Default Swap Transaction, shall be equal to the Outstanding Principal Amount of the Class of Notes relating to such Class (as the same may be reduced as a result of Credit Events and, potentially, Unsettled Credit Events, as described below and elsewhere in this Prospectus including, in particular, the sections of this Prospectus entitled “*Transaction Description*”, “*Questions and Answers*” and “*Credit Default Swaps and the Credit Event Provisions relating to the Credit Default Swap Transactions and the Notes*”), and (b) the Class Redemption Factor.

Prospective investors should note that the Credit Default Swap Transactions are complex and bespoke transactions. It is vital that investors read and completely understand the form of confirmation set out in this Prospectus under the section entitled “*Form of the Credit Default Swap Transaction*” which sets out the terms of the Credit Default Swap Transaction(s) relating to their Class(es) of Notes. An investment in the Notes is only suitable for investors who are not only familiar with credit derivatives but who also have read and understood the terms of the Credit Default Swap Transactions and who understand their relationship to the performance of the Notes.

In particular, although the confirmation in respect of the Credit Swap Transactions incorporates by reference the 2003 ISDA Credit Derivatives Definitions and the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on 14 July 2009), as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”), the Credit Swap Transactions are bespoke transactions which may differ in significant respects from other credit derivative transactions.

Prospective investors should note that, irrespective as to the occurrence of Credit Events in respect of the Reference Entities, as described below and elsewhere in this Prospectus, if the Swap Agreement terminates early in connection with, or which results in, an Early Redemption Event, the amount payable to the Noteholders will principally depend on the amount payable, if any, by the Swap Counterparty to the Issuer as a result of the termination of the Swap Agreement. This, in turn, will depend on the value of the Equity Swap Transactions and the Credit Default Swap Transactions at such time, as determined in the manner set out in the Swap Agreement. While it is anticipated that the value of the Equity Swap Transactions and the Credit Default Swap Transactions will be in favour of the Issuer, there can be no assurance what such value may be. Such value may be affected by a wide variety of factors, including, without limitation, the market value of the Class Attributable Warrants, the level of credit spreads on the Reference Entities referenced in the Credit Default Swap Transactions, the specific terms of the Equity Swap Transactions and the Credit Default Swap Transactions the price that the Calculation Agent determines that a relevant market dealer would pay for the Class Attributable Warrants and the willingness and/or ability of participants in the credit derivatives market to provide quotations for entering into transactions such as the Credit Default Swap Transactions, as well as

broader economic, political and other factors. Accordingly, upon the occurrence of an Early Redemption Event in respect of the Notes, investors may lose their entire investment in the Notes.

### ***The Reference Entities and the Reference Obligations and other Obligations***

Noteholders of each Class will be exposed to the credit and insolvency risk of the Reference Entities (as the same may change prior to the Issue Date as a result of the occurrence of one or more Succession Events on or after the Succession Event Backstop Date, as described below) and also to failures to make payment, including potential failures to make payment in certain circumstances, and restructurings in respect of any Obligations of such Reference Entities (save in respect of a Reference Entity that is a US Reference Entity) and not just to the Reference Obligations of such Reference Entities. Noteholders of each Class will be exposed to such risk with respect to the Reference Entities for the period from and including 27 April 2014 to the Issue Date as well as after the Issue Date.

The Reference Entities referenced in each Credit Default Swap Transaction as at the Issue Date will be identical across the Credit Default Swap Transactions for all Classes of Notes and will comprise four Reference Entities described in the section of this Prospectus entitled “*Description of the Reference Entities*”, as the same may change prior to the Issue Date as a result of the occurrence of one or more Succession Events on or after the Succession Event Backstop Date, as described below.

**Prospective investors must note that none of Credit Suisse International (in any capacity), the Issuer, the Trustee, any Agent or the Distributor is under any obligation to monitor whether or not a Credit Event or Credit Event Resolution Request Date has occurred in respect of a Reference Entity or any responsibility for monitoring any other developments, announcements or publications relating to any Reference Entity and shall have no liability or responsibility to any Noteholder or any other person in the event of the occurrence of any Credit Event or Credit Event Resolution Request Date in respect of any Reference Entity. Furthermore, none of the Issuer, Credit Suisse International, the Trustee nor any Agent, in any capacity, shall have any liability to any Noteholder in respect of any loss suffered as a result of any Reference Entity included in the Credit Default Swap Transactions.**

**None of the Issuer, Credit Suisse International, the Trustee nor any Agent shall provide any information in respect of any Reference Entity to any prospective investor save for the information provided in this Prospectus. Further information in respect of the Reference Entities may be available from publicly available sources, including, without limitation, from the websites of the stock exchanges on which the Reference Entities have securities listed (including those websites set out in the section of this Prospectus entitled “*Description of the Reference Entities*”).**

As a result of the occurrence of Credit Events occurring in respect of Reference Entities prior to the Issue Date (as well as after the Issue Date), it is possible that a prospective investor’s investment in the Notes may be reduced to zero. Prospective investors should only make an investment in the Notes if they fully understand and are prepared to accept this risk, as well as the other risks relating to the Notes.

Each of the Reference Entities (subject to the occurrence of one or more Succession Events on or after the Succession Event Backstop Date, as described below) are banks who, between them, have operations across the globe including in Europe, the United States of America, Asia and South America.

The banking industry generally has been, and continues to be, subject to significant volatility due to the economic crisis that commenced during mid-2007. Banks are exposed to a number of international factors which may have a materially adverse effect on their financial performance including, without limitation, the factors set out under the heading “*Risks relating to the business of Credit Suisse International as Swap Counterparty and other capacities in respect of the Notes – Exposure to international factors*” above.

As indicated, these factors and those events outlined in “*Recent Global Events*” below as well as other factors may affect (i) the probability of Credit Events occurring in respect of the Reference Entities, Reference Obligations and/or other Obligations referenced in the Credit Default Swap Transactions, (ii) the probability of Succession Events occurring in respect of the Reference Entities referenced in the Credit Default Swap Transactions and/or the value of the Credit Default Swap Transactions. Accordingly, as a result investors may suffer a loss of some or all of their investment on the relevant Class(es) of Notes in which they invested as a result of Credit Events occurring under the Credit Default Swap Transactions or, in the case of an early redemption of the Notes following an Early Redemption Event (including following the occurrence of an Event of Default in respect of the Notes), a reduction in the value in favour of the Issuer (or potentially even an increase in value in favour of the Swap Counterparty) of the Credit Default Swap Transactions.

### ***Reference Entities may change as a result of Succession Events***

Prospective investors should note that the Reference Entities to which the Notes are referenced through each of the Credit Default Swap Transactions may change from time to time as a result of the occurrence of any Succession Events and, if more than one successor Reference Entity is determined as a result of any such Succession Event, the Class Notional Amount of each Credit Default Swap Transaction allocated to each remaining Reference Entity, including each new successor Reference Entity, shall be adjusted to reflect the inclusion of such new successor Reference Entity and such allocation may not be in the same proportion as the original allocation. The Calculation Agent is responsible for making determinations as to whether a Succession Event has occurred, provided that the Calculation Agent is not required to, and will not, make any such determination if ISDA has announced that a Credit Derivatives Determination Committee has been convened for such purpose and if such Credit Derivatives Determination Committee has resolved to make such determination. Accordingly, the Issuer, the Swap Counterparty and the Noteholders will be bound by any such determination of the relevant Credit Derivatives Determination Committee, whether or not their views may differ from that of the relevant Credit Derivatives Determination Committee.

Any such determination may increase the likelihood of Credit Events occurring and accordingly increase the possibility of investors suffering a loss, potentially of their entire investment, on the Notes.

Furthermore, it is possible that one or more Succession Events may have occurred prior to the Issue Date of the Notes, as described below. To such extent, the Reference Entities referenced in the Credit Default Swap Transactions may not comprise any of the Reference Entities described in this Prospectus.

### ***Credit Event and Succession Event Backstop Dates***

Prospective investors should note that, in respect of each Class of Notes, the exposure to the risks associated with the Reference Entities referenced in the related Credit Default Swap Transaction includes exposure in the period from and including 27 April 2014 (being the Credit Event Backstop Date) to the Issue Date. As a result, the aggregate amount payable in respect of each Class of Notes (save for any amount payable on such Notes linked to the performance of the relevant Class Attributable Warrants) will be reduced, potentially to zero (depending on the number of Credit Events that occur) as described below, as a result of one or more Credit Events notwithstanding that the relevant Credit Event(s), or the events leading thereto, occurred prior to the Issue Date of the Notes.

Similarly, for Succession Events the look-back period runs from 28 March 2014 (being the Succession Event Backstop Date) and it is therefore possible that the Notes could be affected by one or more Succession Events that take place prior to the Issue Date and, accordingly, may increase the risk of loss to investors notwithstanding that the relevant Succession Event(s) occurred prior to the Issue Date of the Notes.

### ***No representations; no guarantee of performance***

None of the Issuer, the Trustee, any Agent or Credit Suisse has made or will make any representation whatsoever with respect to any Reference Entity referenced in the Credit Default Swap Transactions or any



of their obligations (including any Reference Obligation) on which any Noteholder is relying or is entitled to rely. None of the Issuer, the Trustee, any Agent or Credit Suisse are responsible for any Reference Entity's public disclosure of information.

There is no guarantee, protection or assurance for investors in the Notes in respect of the credit or performance of any Reference Entity referenced in the Credit Default Swap Transactions or any of its obligations or those of any entity whose obligations may be guaranteed by a Reference Entity (an "**Underlying Obligor**"). Credit Suisse makes no representation as to the performance of the Notes either in absolute terms or relative to other investments.

***Payments under the Credit Default Swap Transactions and allocation of losses following Credit Events***

In consideration for the issue of the Notes by the Issuer, the Dealer will procure that on the Issue Date, the Swap Counterparty will enter into each Credit Default Swap Transaction with the Issuer, and the Dealer will pay or arrange the payment of an amount to the Swap Counterparty equal to the Issue Price of the Notes *minus* the aggregate issue price of the Class Attributable Warrants (such amount to be paid to the Swap Counterparty expected to be between 75% and 95% of the Aggregate Nominal Amount of such Class of Notes on the Issue Date).

Under the terms of each Credit Default Swap Transaction:

- (a) the Class Notional Amount of such Credit Default Swap Transaction will be equal to the Outstanding Principal Amount of the Notes to which such Credit Default Swap Transaction relates;
- (b) each time a Credit Event occurs in respect of a Reference Entity referenced in such Credit Default Swap Transaction and an Event Determination Date relating thereto is determined (including, without limitation, where such Event Determination Date occurs in respect of an Unsettled Credit Event that is determined to be an Unsettled Credit Event as at the Credit Event Observation Period End Date (being 4 April 2020)):
  - (i) the Class Notional Amount of such Credit Default Swap Transaction will be reduced as at the relevant Credit Suisse Cash Settlement Date by an amount equal to the Reference Entity Notional Amount (as determined under such Credit Default Swap Transaction) of the Reference Entity to which such Credit Event relates; and
  - (ii) an amount will be payable by the Swap Counterparty to the Issuer on the relevant Credit Suisse Cash Settlement Date equal to the Credit Suisse Cash Settlement Amount,

all as described, in respect of the Class of Notes to which such Credit Default Swap Transaction relates, in the Relevant Transaction Information Section relating thereto;

- (c) on the Reference Business Day immediately preceding the Scheduled Maturity Date (such date, the "**Final Exchange Date I**") in respect of the Class of Notes to which such Credit Default Swap Transaction relates, the Swap Counterparty will pay to the Issuer an amount equal to the Outstanding Principal Amount of each Class of Notes on the relevant Final Exchange Date I (in each case, which may have been reduced as a result of any prior Credit Events); provided that if the termination date of the relevant Credit Default Swap Transaction has been extended beyond the applicable Final Exchange Date I to the Extended CDS Termination Date, the Swap Counterparty will pay to the Issuer an amount equal to the Outstanding Principal Amount of each Class of Notes on the relevant Final Exchange Date I (in each case, which may have been reduced as a result of any prior Credit Events) *less* an amount equal to the Reference Entity Notional Amount (as determined under the Credit Default Swap Transaction relating to such Class) of each Reference Entity in respect of which an Unsettled Credit Event is determined as at the Credit Event Observation Period End Date (such resulting amount being applied to fund the Final Redemption Amount in respect of such Class of Notes or, to the extent that such an Unsettled Credit Event is determined, such amount being applied to partially fund the Partial Final Redemption Amount in respect of such Class of Notes);

- (d) on the Reference Business Day immediately preceding the Extended CDS Termination Date (the “**Final Exchange Date II**”) in respect of the Class of Notes to which such Credit Default Swap Transaction relates, the Swap Counterparty will pay to the Issuer an amount equal to the Outstanding Principal Amount of each Class of Notes on the relevant Final Exchange Date II (in each case, which may have been reduced as a result of any prior Credit Events) (such resulting amount being applied to partially fund the Remaining Final Redemption Amount in respect of such Class of Notes); and
- (e) on the Business Day following the day on which an Additional Payout Amount is payable under a Class of Notes to which such Credit Default Swap Transaction relates, the Issuer shall pay to the Swap Counterparty under such Credit Default Swap Transaction an amount equal to (i) the relevant aggregate Warrant Final Redemption Amounts per Warrant in respect of the applicable Class Attributable Warrants relating to such Class of Notes (together with any aggregate early redemption amount, if any, received by the Issuer per Warrant in respect of the applicable Class Attributable Warrants relating to such Class of Notes) *minus* (ii) such Additional Payout Amount, subject to a minimum of zero.

Accordingly, the aggregate final redemption amount (excluding any portion of such amount attributable to the performance of the applicable Class Attributable Warrants) payable by the Swap Counterparty to the Issuer on the Scheduled Maturity Date and, where an Extended CDS Termination Date is applicable, the Extended CDS Termination Date, in respect of each Note having a principal amount of SEK 10,000 on its issue, will be SEK 10,000 where no Credit Events and related Event Determination Dates occur under the related Credit Default Swap Transaction.

Otherwise, in respect of the relevant Class of Notes, such amount shall be reduced, potentially to zero. Some examples of this are set out in the section of this Prospectus entitled “*Questions and Answers - What happens if a Credit Event occurs in respect of any of the Reference Entities under the Credit Default Swap Transactions?*”. As shown in such examples, investors may suffer significant losses on their investment as a result of the occurrence of one or more Credit Events occurring in respect of the Reference Entities referenced in the Credit Default Swap Transactions.

#### ***Extension of the Maturity Date of the Notes as a result of Unsettled Credit Events***

It follows from the above description of payments under the Credit Default Swap Transactions and allocation of losses following Credit Events that the termination of the Credit Default Swap Transactions may extend beyond the scheduled termination date and, accordingly, the final maturity date of the Notes may be extended beyond the Scheduled Maturity Date. Such occurrence may arise where there are Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date. Unsettled Credit Events will arise, in summary, where:

- (a) one or more Credit Events have occurred in respect of one or more Reference Entities on or prior to the Credit Event Observation Period End Date but in respect of which the Auction Final Price, or where the Fallback Settlement Method is applicable, the Final Price, has not been determined by such Credit Event Observation Period End Date; or
- (b) a Potential Failure to Pay (if applicable) has occurred in respect of a Reference Entity (being, in effect, an event that would, but for the application of the applicable grace period, have constituted a Failure to Pay Credit Event) on or prior to the Credit Event Observation Period End Date, but in respect of which it has not yet been determined whether or not an actual Credit Event has occurred or will occur; or
- (c) a Potential Credit Event has been determined by the Calculation Agent under the Credit Default Swap Transactions (being, in effect, an event which, in the sole and absolute determination of the Calculation Agent, may be a Credit Event) on or prior to the Credit Event Observation Period End Date.

In the event that there are any Unsettled Credit Events, then it is intended that on the scheduled termination date of the Credit Default Swap Transactions, the Swap Counterparty will pay to the Issuer under the Credit Default Swap Transaction relating to each Class of Notes an amount in SEK equal to (i) the Outstanding Principal Amount of such Class of Notes (in each case, as at such scheduled termination date and which will have been reduced as a result of any Credit Events prior to such date) *minus* (ii) the Reference Entity Notional Amount(s) (as determined under the Credit Default Swap Transaction relating to such Class) of the Reference Entity or Reference Entities (as applicable) in respect of which such Unsettled Credit Event(s) relate.

The amount so payable in respect of a Class of Notes as described in (a) and (b) above, is equal to the Partial Final Redemption Amount in respect of such Class of Notes and in such circumstances, the Notes of each Class would be redeemed in part on the Scheduled Maturity Date by payment to Noteholders of such Class of an amount equal to such Partial Final Redemption Amount, on a *pro rata* basis together with, in respect of the Class A Notes and the Class B Notes, the Additional Payout Amount (if any) received by the Issuer in respect of the applicable Equity Swap Transaction referencing the Class Attributable Warrants relating to such Notes.

In such circumstances, the Extended CDS Termination Date will occur in summary, 7 Reference Business Days after the latest date on which:

- (a) the last Auction Final Price, or where the Fallback Settlement Method is applicable, the last Final Price is determined in respect of the relevant Unsettled Credit Events; or
- (b) it is determined in respect of the last outstanding Unsettled Credit Event that no Credit Event has occurred during the applicable Notice Delivery Period in respect of such Unsettled Credit Event.

On the Reference Business Day immediately preceding the Extended CDS Termination Date, the Swap Counterparty would be required to pay to the Issuer under each Credit Default Swap Transaction, in order to enable the Issuer to fund the final redemption amount payable on the Class of Notes to which such Credit Default Swap Transaction relates, an amount in SEK equal to, in respect of each Unsettled Credit Event in respect of which it is determined following the Credit Event Observation Period End Date that no Credit Event has occurred during the applicable Notice Delivery Period, the Reference Entity Notional Amount (as determined under the Credit Default Swap Transaction relating to such Class) of the Reference Entity in respect of which such Unsettled Credit Event(s) relate.

Accordingly, prospective investors must note that in the event that there are Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date, the final redemption of the Notes may be significantly postponed and Noteholders will not receive the full amount due to them (if at all) until a significant time after the Scheduled Maturity Date. In such circumstances, the value of the Notes may be significantly reduced, and may even be zero. Furthermore, to the extent that any secondary market for the Notes existed, any liquidity provided by such secondary market may be significantly reduced and Noteholders may not be able to sell their Notes or realise any value for them.

### ***Conflicts of interest relating to Credit Suisse and the Credit Default Swap Transactions***

As described above and elsewhere in this Prospectus, under the Credit Default Swap Transactions, the Issuer is selling credit protection to Credit Suisse International in its capacity as Swap Counterparty. As a result of such transactions, Credit Suisse International and the Issuer will have a direct conflict of interest, since the occurrence of any Credit Events and related Event Determination Dates will reduce the aggregate amounts payable to investors under the Notes, including at maturity. Credit Suisse International may retain the credit protection sold to it by the Issuer for its own proprietary investment purposes or to hedge its risk unrelated to the Notes or it may sell such protection to third parties. Sales of credit protection may be made to one or more third parties and may be made using individual credit default swap transactions relating to each Reference Entity or using a single transaction referencing two or more of the Reference Entities.

Credit Suisse International may deal in the obligations of each Reference Entity and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, a Reference Entity, an Underlying Obligor or any affiliate of a Reference Entity or an Underlying Obligor, or any other person or entity having obligations relating to a Reference Entity or any Underlying Obligor, and may act with respect to such business in the same manner as each of them would if the Notes did not exist, regardless of whether any such action might have an adverse effect on a Reference Entity, any Underlying Obligor or the position of any Noteholder or otherwise (including, without limitation, any action which might constitute or give rise to a Credit Event).

Following the Issue Date, Credit Suisse International may, whether by virtue of the types of relationships described herein or otherwise, at any time, be in possession of information in relation to a Reference Entity or any Underlying Obligor that is or may be material in the context of the issue of the Notes and that may or may not be publicly available or known to a Noteholder, and the Notes do not create any obligation on the part of Credit Suisse International to disclose to any Noteholder any such relationship or information (whether or not confidential).

Credit Suisse International is also a voting member on each of the ISDA Credit Derivatives Determinations Committees and is a party to transactions that incorporate, or are deemed to incorporate, the July 2009 Supplement and may take certain actions that may influence the process and outcome of decisions of the ISDA Credit Derivatives Determinations Committees. Such actions may be adverse to the interests of the Noteholders and may result in an economic benefit accruing to Credit Suisse International under the Swap Agreement or otherwise. In taking any action relating to the ISDA Credit Derivatives Determinations Committees or performing any duty under the rules that govern the ISDA Credit Derivatives Determinations Committees set forth in the Credit Derivatives Determinations Committees Rules at Annex A to the July 2009 Supplement (the “**Rules**”), Credit Suisse International shall have no obligation to consider the interests of the Noteholders and may ignore any conflict of interest arising in respect of the Notes.

To the extent that Credit Suisse International is replaced as Swap Counterparty, the above conflicts of interest may no longer be applicable. However, similar conflicts of interest and/or additional conflicts of interest may be applicable in respect of the relevant replacement Swap Counterparty.

### ***Reference Entities not liable for the Notes***

No Reference Entity is involved in the issuance of the Notes in any way and has no obligation to consider the interests of the Noteholders in taking any corporate actions that might affect the value of the Notes. Any Reference Entity may, and is entitled to, take actions that will adversely affect the value of the Notes. The purchase price paid for each Class of Notes is paid to the Issuer and a portion of it is paid to Credit Suisse International under the Credit Default Swap Transaction relating to such Class of Notes as described above and elsewhere in this Prospectus. However, no portion of such issue proceeds is paid to any Reference Entity, and the Notes do not represent a direct investment in any Obligation of any Reference Entity or otherwise give the Noteholders any rights in the debt obligations or any other securities of any Reference Entity. As an owner of Notes, a Noteholder will not have special voting rights or rights to receive distributions or any other rights that holders of debt obligations or other securities of any Reference Entity may have.

### ***Factors influencing the risk of a Credit Event***

The likelihood of a Credit Event occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition and other characteristics of such Reference Entity, general economic conditions, the condition of certain financial markets, political events, developments or trends in particular industry and changes in prevailing interest rates. Some factors influencing the risk of Credit Events are described above and elsewhere in this Prospectus.

### ***Factors influencing the extent of losses following the occurrence of a Credit Event***

The Auction Final Price, or Final Price (in circumstances where there is no Auction Final Price) in respect of a Reference Entity in respect of which a Credit Event and resulting Event Determination Date has occurred

will be determined by the valuation of the Reference Obligation, or other obligations, of such Reference Entity (together, as used in these Risk Factors, “**Valuation Obligations**”). Such valuations will be a key factor determining the extent to which losses are suffered by Noteholders as a result of Credit Events occurring in respect of Reference Entities under the Credit Default Swap Transactions.

Such Valuation Obligations may have no, or only a limited, trading market. The liquidity of Valuation Obligations will generally fluctuate with, among other things, the underlying liquidity of the loan and bond markets, the conditions of the financial markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the relevant Reference Entity. Some or all of the Valuation Obligations may also be subject to restrictions on transfer and may be considered illiquid. If an Event Determination Date occurs in respect of a Reference Entity, any resulting reduction in market value of the related Valuation Obligations could be further magnified by reason of such limited liquidity for those Valuation Obligations.

Any quotations used in the calculation of the Final Price (where an Auction Final Price is not applicable and the Fallback Settlement Method applies as a result) may be affected by factors other than the occurrence of the Credit Event. Such prices may vary widely from dealer to dealer and substantially between Valuation Dates. The obligations selected for valuation following a Credit Event may be illiquid and such illiquidity may be expected to be more pronounced following the occurrence of such Credit Event, thereby adversely affecting any determination of the value of such obligation which in turn will reduce the Credit Suisse Cash Settlement Amount determined in respect of each Class of Notes and the amount actually payable in partial redemption of such Class of Notes as a result of such Credit Event.

Following an Event Determination Date, if the Fallback Settlement Method applies, the Swap Counterparty is entitled to select an obligation of the Reference Entity for valuation which has the lowest value in the market at the relevant time – providing such obligation satisfies certain specifications and limits for qualification as a Reference Obligation. It is likely that the obligations selected in these scenarios will be obligations of the Reference Entity with the lowest market value that satisfies such specification and limits for qualification as a Reference Obligation. This could result in a lower recovery value of the Reference Obligations and hence, greater losses for investors of the Notes than would otherwise be the case.

Where an Auction Final Price Determination Date occurs, the Auction Final Price will be determined according to an auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms, available on ISDA's website at [www.isda.org](http://www.isda.org) (or any successor website thereto). Prospective investors should note that the relevant Credit Derivatives Determinations Committee has the power to make binding decisions on critical issues such as whether a Credit Event has occurred, which obligations are to be valued and whether an Auction should take place in accordance with and as more fully described in the Credit Derivatives Determinations Committees Rules, as amended from time to time and available on ISDA's website at [www.isda.org](http://www.isda.org) (or any successor website thereto). Consequently, Credit Suisse International, the Issuer and the Noteholders will be bound by any such relevant decisions.

***Noteholders will not be able to refer questions to the ISDA Credit Derivatives Determinations Committees***

Noteholders, in their capacity as holders of the Notes, will not have the ability to refer questions to an ISDA Credit Derivatives Determinations Committee since the Notes are not a credit default swap transaction and the Notes do not themselves incorporate, and are not deemed to have incorporated, the July 2009 Supplement. As a result, Noteholders will be dependent on other market participants to refer specific questions to the ISDA Credit Derivatives Determinations Committees that may be relevant to the Noteholders. Credit Suisse International, in any capacity, has no duty to the Noteholders to refer specific questions to the ISDA Credit Derivatives Determinations Committees.

***Noteholders will have no role in the composition of the ISDA Credit Derivatives Determinations Committees***

Separate criteria will apply to the selection of dealer and non-dealer institutions to serve on the ISDA Credit Derivatives Determinations Committees, and Noteholders will have no role in establishing such criteria. In addition, the composition of the ISDA Credit Derivatives Determinations Committees will change from time to time in accordance with the Rules, as the term of a member institution may expire or a member institution may be required to be replaced. Noteholders will have no control over the process for selecting institutions to participate on the ISDA Credit Derivatives Determinations Committees and, to the extent provided for in the Notes, will be subject to the determinations made by such selected institutions in accordance with the Rules.

***Noteholders will have no recourse against either the institutions serving on the ISDA Credit Derivatives Determinations Committees or the external reviewers***

Institutions serving on the ISDA Credit Derivatives Determinations Committees and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the member institutions of the ISDA Credit Derivatives Determinations Committees from time to time will not owe any duty to the Noteholders, and the Noteholders will be prevented from pursuing legal claims with respect to actions taken by such member institutions under the Rules.

Noteholders should also be aware that member institutions of the ISDA Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the ISDA Credit Derivatives Determinations Committees are not obligated to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

***Noteholders will be responsible for obtaining information relating to deliberations of the ISDA Credit Derivatives Determinations Committees***

Notices of questions referred to the ISDA Credit Derivatives Determinations Committees, meetings convened to deliberate such questions and the results of binding votes of the ISDA Credit Derivatives Determinations Committees will be published on the website of ISDA and none of the Issuer or Credit Suisse International, in any capacity, shall be obliged to inform Noteholders of such information, other than as expressly provided in the terms of the Notes. Any failure by Noteholders to be aware of information relating to determinations of an ISDA Credit Derivatives Determinations Committee will have no effect under the Notes and Noteholders are solely responsible for obtaining any such information.

***Correlation amongst Reference Entities***

The correlation of defaults or Credit Events amongst Reference Entities may affect the potential losses to the Noteholders. The higher the correlation of defaults or Credit Events, the higher the probability that a Credit Event will occur for more than one Reference Entity, increasing the losses to Noteholders.

Potential investors must note that all of the Reference Entities are banks. To the extent that a Credit Event occurs in respect of one Reference Entity therefore, there is a significant likelihood that Credit Events will occur in respect of the other Reference Entities. In such circumstances the Notes may suffer substantial losses which reduce or eliminate their value; further, all or the majority of such losses may be sustained over a relatively short period of time.

Furthermore, as Credit Suisse International is also a bank, there is likely to be a high correlation between defaults by Credit Suisse International in any of its capacities in respect of the Notes (including, without limitation as Swap Counterparty) and the occurrence of Credit Events in respect of the Credit Default Swap Transactions. Accordingly, Noteholders may suffer greater losses (and may be more likely to suffer losses) as a result of such correlation than they may otherwise have done had the Reference Entities not operated in the same industry as Credit Suisse International.

### ***Idiosyncratic Risk, Recovery Rates***

Individual or unsystematic risks, such as those pertaining to only one Reference Entity, could lead to an increase in the likelihood of a Credit Event occurring in relation to such Reference Entity.

Recovery rates for Reference Entities that have suffered Credit Events can and do vary, often widely, from entity to entity, even where such entities operate in the same industry, and from time to time. Lower recovery rates means that losses suffered by Noteholders will be higher. Higher default rates are correlated with lower recovery rates.

Furthermore, the occurrence of a Credit Event under the Credit Default Swap Transactions and the recovery rates for the obligations of the Reference Entity for which such Credit Event occurs may be subject to the operation of bankruptcy or other insolvency laws in the jurisdiction applicable to such Reference Entity.

### ***No requirement for exposure to Reference Entities***

Notwithstanding the above, the performance of the Notes is not conditional upon the Swap Counterparty sustaining or being exposed to any risk or loss and the rights and obligations of the Swap Counterparty in respect of the Credit Default Swap Transactions are not, at any time, dependent upon the Swap Counterparty owning or having any legal, equitable or other interest in, or indirect exposure to, any of the Reference Entities referenced in the Credit Default Swap Transactions from time to time, nor shall the Swap Counterparty have any obligation to purchase or hold a Reference Entity's obligations at any time.

### **The Credit Support Annex**

As part of the Swap Agreement, the Issuer and Credit Suisse International have entered into a Credit Support Annex as described in more detail in the section of this Prospectus entitled "*Transaction Description*" under the heading "*The Credit Default Swap Transactions – The Credit Support Annex*".

The Swap Counterparty shall act for its own benefit and is not required to, and may not, take into account the interests of the Noteholders in determining what Eligible Securities, meeting the required criteria, to deliver to the Issuer under the Credit Support Annex.

While at the time of delivery, any Eligible Securities delivered to the Issuer by the Swap Counterparty under the Credit Support Annex are required to have a value equal to the exposure the Issuer has to the Swap Counterparty under the Swap Agreement, and notwithstanding the fact that such valuations will be conducted on a weekly basis, there can be no assurance that any amount realised from the sale of any Eligible Securities delivered and held by the Issuer will be equal to the amount otherwise payable by the Swap Counterparty as a result of the termination of the Swap Agreement.

Accordingly, despite the existence of the Credit Support Annex, in the event that the Swap Agreement terminates as a result of a default by the Swap Counterparty under the Swap Agreement, or the occurrence of certain insolvency or bankruptcy events relating to the Swap Counterparty, any failure by the Swap Counterparty to pay any termination amount due under the Swap Agreement, there is a significant possibility that the Issuer will suffer a shortfall on the realisation of its assets and that the amount payable to Noteholders may be reduced, even to zero, in connection with the redemption of the Notes in such circumstances.

### **Early Redemption**

If the Notes are due to redeem early in full as a result of an Early Redemption Event (for example following certain tax events (subject to certain exceptions including, but not limited to, where withholding or deduction of taxes on the Notes arises solely in respect of FATCA) or a termination of the Swap Agreement or as a result of an Event of Default by the Issuer), the Swap Agreement will terminate and any Eligible Securities delivered to the Issuer under the Credit Support Annex are required to be liquidated.

Any amount payable to the Issuer by the Swap Counterparty as a consequence of the termination of the Swap Agreement, together with any sale proceeds of any Eligible Securities, shall first be used to pay any amount due to the Trustee, the Disposal Agent, the Custodian and any other Agent of the Issuer, including costs and expenses incurred with the sale of such securities.

The remainder of any such amount received by the Issuer in respect of termination of the Swap Agreement and any remaining proceeds of sale of Eligible Securities shall be applied in satisfaction of the amounts due to Noteholders on a *pro rata* basis.

There can be no assurance as to the value of any Eligible Securities at the time of such sale and the amounts realised may be significantly lower than the face value of such Eligible Securities and may even be zero. To the extent that the value of the Eligible Securities is less than the value of the Swap Agreement upon its termination, Noteholders will be exposed to the Swap Counterparty for the shortfall. None of the Issuer, the Trustee, the Disposal Agent, any other Agent, the Dealer or any other person is under any obligation to obtain a particular price in connection with such a sale and shall have no responsibility or liability to any Noteholder for the price at which any such assets are sold.

Accordingly, the amount payable to Noteholders on an early redemption of their Notes may be significantly lower than their initial investment and may even be zero.

### **Replacement of the Swap Counterparty**

Investors should note that upon the occurrence of (i) certain insolvency events with respect to the Swap Counterparty (a “**Counterparty Bankruptcy Credit Event**”); or (ii) an Event of Default (as defined in the Swap Agreement) with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Credit Event); or (iii) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of the Credit Default Swap Transactions (a “**CDS Termination Event**”); or (iv) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of any Equity Swap Transaction (an “**Equity Swap Termination Event**”); or (v) the long term senior, unsecured rating assigned by Moody’s Investors Service Limited (“**Moody’s**”) to the Swap Counterparty being withdrawn or is less than Ba1 or if the short term rating assigned by Moody’s to the Swap Counterparty is less than P-3 (any such downgrade or withdrawal, a “**Moody’s Ba1/P-3 Downgrade**” and such event, along with each of a Counterparty Bankruptcy Credit Event, an Event of Default with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Event), a CDS Termination Event and an Equity Swap Termination Event, a “**Replacement Event**”), Garantum Fondkommission AB (or any successor entity thereto) (as Noteholder Facilitator) has the right, by notice to the Issuer with a copy to the Trustee (and, provided that, in the case of a Moody’s Ba1/P-3 Downgrade only that the Swap Counterparty has given its prior written consent to such replacement) to select a replacement Swap Counterparty from (and including) the date of the occurrence of such a Replacement Event up to (and including) the date falling 30 calendar days from the occurrence of the applicable Replacement Event.

Accordingly, where the Noteholder Facilitator makes such a selection, and provided certain other requirements are met, it is possible that the identity of the Swap Counterparty will change, and accordingly, the credit exposure of the Issuer and Noteholders to the Swap Counterparty may also change. As this right may be exercised whenever a Replacement Event occurs, the identity of the Swap Counterparty may change more than once during the duration of the Notes. Furthermore, it is possible that the Swap Counterparty in respect of the Credit Default Swap Transactions may be different from the Swap Counterparty in respect of the Equity Swap Transactions or any of them.

However, notwithstanding the above, no assurance can be given that a replacement Swap Counterparty will be identified by the Noteholder Facilitator upon the occurrence of a Replacement Event or that such replacement will be completed.

The replacement of the Swap Counterparty as described above may prevent an early termination of the Swap Agreement and therefore the early redemption of the Notes. However, even if such replacement is made, the



Notes may still redeem early, in full, on some later date as a result of the occurrence of any Early Redemption Event and Noteholders will also still be exposed to the risk of Credit Events in respect of the Credit Default Swap Transactions, notwithstanding such replacement of the Swap Agreement (including, for the avoidance of doubt, where such Credit Events occurred prior to such replacement). The value of the Swap Agreement to the Issuer may have been higher at the time of the occurrence of the Replacement Event than as at the time of any subsequent early redemption of the Notes. As a result, the replacement of the Swap Counterparty in such circumstances may result in Noteholders receiving less in respect of their investment than they may otherwise have done if no replacement Swap Counterparty had been selected and had the Notes redeemed early as a result of such Swap Counterparty Event or, as the case may be, a Counterparty Bankruptcy Credit Event.

As a result of the risk highlighted in the preceding paragraph, the inclusion of this right of replacement may mean that the value of the Notes from time to time may be lower than their value would otherwise have been had no such replacement right been included.

If a replacement Swap Agreement is not entered into within 30 calendar days following the occurrence of a Replacement Event (other than a Moody's Ba1/P3 Downgrade), the Swap Agreement shall automatically terminate or, in the case of a Termination Event (as defined in the Swap Agreement) the relevant Credit Default Swap Transaction and/or Equity Swap Transaction(s) may be terminated in accordance with the terms of the Swap Agreement and, if a Swap Termination Event has occurred and no Early Redemption Trigger Date or Early Redemption Event has occurred pursuant to any other applicable Condition, the Issuer shall, as soon as is practicable (or, in any case, within two Reference Business Days after the end of the Replacement Period), give an Early Redemption Notice to the Noteholders (the date on which such Early Redemption Notice is deemed to have been given shall be an "**Early Redemption Trigger Date**") and the Notes shall become due and payable on the related Early Redemption Date. Certain risks associated with early redemption of the Notes are discussed above under "*Early Redemption*".

### **Instructions to the Trustee following an Event of Default or an Enforcement Event**

While the Trustee is permitted to give notice to the Issuer of its determination that an Event of Default has occurred (and that accordingly the Notes have become immediately due and payable) and to determine that an Enforcement Event has occurred and enforce the security for the Notes, it is not required to do so, unless directed by an Extraordinary Resolution passed by the Noteholders to do so and will only do so if the Trustee is indemnified and/or secured and/or prefunded to its satisfaction. The Swap Counterparty also has the right to direct the Trustee in writing to enforce security.

Accordingly, following (i) the occurrence of an Event of Default, the Trustee may accelerate the Notes at its discretion, but shall be obliged to accelerate if directed by an Extraordinary Resolution passed by the Noteholders (subject, in each case, to its being indemnified and/or secured and/or prefunded to its satisfaction), by giving notice to the Issuer that an Event of Default has occurred and that the Notes have become immediately due and payable and then, if required enforce the security; and (ii) the Trustee becoming aware of the occurrence of an Enforcement Event, the Trustee may enforce the security at its discretion but shall enforce the security if directed by an Extraordinary Resolution passed by the Noteholders or if directed in writing by the Swap Counterparty (subject, in each case, to its being indemnified and/or secured and/or prefunded to its satisfaction). Noteholders should be aware that there is no assurance that the Trustee would exercise such discretion in circumstances where an Event of Default or Enforcement Event occurs. Even if the Trustee is willing to exercise such discretion or the Noteholders validly pass an Extraordinary Resolution (as described below) directing the Trustee to accelerate the Notes or, as the case may be, enforce the security, the Trustee shall only do so if it is indemnified and/or secured and/or prefunded to its satisfaction. There may be a significant delay between the occurrence of an Event of Default or, as the case may be, the occurrence of an Enforcement Event (and, in the case of an Event of Default, the Trustee's notice to the Issuer that the Notes have become immediately due and payable) and any enforcement of the security following the occurrence of such Event of Default or, as the case may be, such Enforcement Event as a consequence of, among other things, a delay in the Trustee receiving satisfactory indemnities and/or prefunding in circumstances where the Noteholders have directed the Trustee to accelerate and/or enforce. During the period of such delay, Noteholders' *pro rata* share of the proceeds of enforcement of the security

may decrease substantially from what it would otherwise have been but for such delay and may in certain circumstances be zero.

Upon the occurrence of an Event of Default, Noteholders, by passing an Extraordinary Resolution, will be entitled to direct the Trustee to give an Early Redemption Notice to the Issuer and, if necessary, direct the Trustee to enforce the security following an Event of Default, provided that in each case, the Trustee shall only do so if it is also indemnified and/or secured and/or prefunded to its satisfaction. Such Extraordinary Resolution if passed by way of a signed written resolution or given by way of electronic consents through the clearing systems (where the Notes are held on behalf of a Clearing System) must be passed by Noteholders holding, in aggregate, across the Class A Notes and the Class B Notes, at least 75% in principal amount of all of the outstanding Notes. Given the wide distribution of the Notes, Noteholders should be aware that there may be a significant delay between the Noteholders becoming entitled to make such a direction to the Trustee and Noteholders holding a sufficient nominal amount of the Notes being able to make such request and provide the required indemnification, security and/or prefunding to the Trustee. Accordingly, during the period of such delay, Noteholders' *pro rata* share of the proceeds of enforcement of the security may decrease substantially from what it would otherwise have been but for such delay and may in certain circumstances be zero.

### **Possibility of U.S. withholding tax on payments**

#### *Background*

On 18 March 2010, the United States enacted sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”). To receive certain payments free of withholding pursuant to FATCA, a non-U.S. financial institution (“**FFI**”) generally will be required to enter into an agreement (an “**FFI Agreement**”) with the U.S. Internal Revenue Service (the “**IRS**”) to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. For these purposes, the term financial institution includes, among others, banks, insurance companies and entities that are engaged primarily in the business of investing, reinvesting or trading in securities, commodities or partnership interests, including securitisation vehicles. For these purposes, the Issuer is likely to be considered a financial institution.

If an FFI that has entered into an FFI Agreement (such an FFI being known as a “participating FFI”) makes a relevant payment to an accountholder that has not provided information requested to establish that the accountholder is exempt from reporting under the rules, or if the recipient of the payment is a “non-participating FFI” (that is not otherwise exempt), the payer may be required to withhold 30 per cent. on all or a portion of the payment.

The application of FATCA to payments by the Issuer is not clear on the date of this Prospectus. In particular, Luxembourg has announced that it intends to enter into an intergovernmental agreement with the United States, based largely on the “Model 1” intergovernmental agreement released by the United States, to help implement FATCA for certain Luxembourg entities. The full impact of such an agreement on the Issuer and the Issuer’s reporting and withholding responsibilities under FATCA is unclear. The Issuer may be required to report certain information on its U.S. account holders to the government of Luxembourg in order (i) to obtain an exemption from FATCA withholding on payments it receives and/or (ii) to comply with any applicable Luxembourg law. It is not yet certain how the United States and Luxembourg will address withholding on “foreign passthru payments” (which may include payments on the Notes) or if such withholding will be required at all.

Under FATCA, withholding is required with respect to payments made on or after (i) July 1, 2014 in respect of certain U.S. source payments, (ii) January 1, 2017, in respect of payments of gross proceeds (including principal repayments) on certain assets that pay U.S. source interest or dividends and (iii) January 1, 2017 (at the earliest) in respect of “foreign passthru payments” and then only on “obligations” issued or materially modified on or after (a) July 1, 2014, and (b) in the case of an obligation that pays only foreign passthru payments, if later, the date that is six months after the date on which the final regulations applicable to

“foreign passthru payments” are filed in the Federal Register. Certain instruments that lack a definitive expiration date or are treated as equity for US federal income tax purposes are not treated as obligations for this purpose and withholding would be required from the above dates regardless of when the instrument was issued

#### *Impact on payments on Collateral and Swap Agreement*

If Luxembourg does not enter into an intergovernmental agreement with the United States and the Issuer does not enter into an FFI Agreement to enable it to receive payments free of FATCA withholding, or enters into but fails to comply with its obligations under any such agreement, or if Luxembourg does enter into an intergovernmental agreement with the United States but the Issuer fails to comply with its obligations under such intergovernmental agreement, the Issuer may from certain dates be subject to 30 per cent. withholding tax on all, or a portion of, certain payments received.

This might result in payments to the Issuer in respect of the assets of the Issuer, which includes the Swap Agreement, being subject to FATCA withholding. Any such withholding would, in turn, result in the Issuer having insufficient funds from which to make payments that would otherwise have become due in respect of the Notes. No other funds will be available to the Issuer to make up any such shortfall. If the Issuer suffers or may suffer such withholding the Notes will be redeemed early (see “*Early Redemption*” above).

No assurance can be given that Luxembourg will enter into an intergovernmental agreement with the United States or that the Issuer will enter into any FFI Agreement (if relevant), or as to the timing of any such entry, or that the Issuer will be able to comply with any Luxembourg law enacted to facilitate the implementation of FATCA under any intergovernmental agreement.

Furthermore, tax could be withheld from any proceeds of the sale of any Collateral, which would reduce the funds available to pay amounts to holders of the relevant Notes.

#### *Impact on payments on the Notes*

If Luxembourg does not enter into an intergovernmental agreement with the United States and the Issuer enters into an FFI Agreement, or if Luxembourg does enter into an intergovernmental agreement with the United States, Noteholders and beneficial owners of Notes may be required to provide certain information to the Issuer or any participating FFI through which a payment is made. Failure to provide such information may lead to withholding on certain payments (including payments of any interest amount or redemption amount) made to them. The withholding obligation in respect of a non-participating FFI may apply whether the non-participating FFI is receiving payments for its own account or on behalf of another person. If such withholding on account of FATCA applies, there will be no additional amount payable by way of compensation to the Noteholder for the deducted amount by any party. Certain Noteholders may be entitled to a refund of amounts withheld pursuant to the FATCA rules, though the Noteholder would have to file a U.S. tax return to claim this refund and would not be entitled to interest from the IRS for the period prior to the refund.

It is the obligation of each Noteholder and beneficial owner of the Notes to provide the Issuer (such expression to include an agent acting on behalf of the Issuer) or any participating FFI through which payments may be made with such documentation, information or waiver as may be requested by the Issuer or such participating FFI to comply with its obligations under, or in relation to FATCA. If Luxembourg does not enter into an intergovernmental agreement with the United States, the Issuer may, but is not obliged and owes no duty to any person to, enter into an FFI Agreement with the IRS in such form as may be required to avoid the imposition of withholding under FATCA on payments made to the Issuer. If Luxembourg does not enter into an intergovernmental agreement with the United States and the Issuer enters into an FFI Agreement, or if Luxembourg does enter into an intergovernmental agreement with the United States, the Issuer may make such amendments to the Notes and the Swap Agreement (if any) as may be necessary to enable the Issuer to enter into, or comply with the terms of, any such FFI Agreement or intergovernmental agreement and any such amendment will be binding on the Noteholders and Couponholders.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE ISSUER IS UNCERTAIN AT THE DATE OF THIS PROSPECTUS. IN PARTICULAR, IT IS UNCERTAIN WHETHER LUXEMBOURG WILL ENTER INTO AN INTERGOVERNMENTAL AGREEMENT REGARDING THE IMPLEMENTATION OF FATCA OR WHAT THE SPECIFIC REQUIREMENTS OF LUXEMBOURG LAW ENACTED TO IMPLEMENT ANY SUCH INTERGOVERNMENTAL AGREEMENT MIGHT BE. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCE.

## **Recent Global Events**

### ***General***

Since mid-2007, the global economy and financial markets have experienced extreme levels of instability.

The initial trigger for the instability was a downturn in the U.S. housing market. Significant declines in house prices in the U.S. from early 2005, combined with interest rate rises, led to increases in mortgage default levels, particularly in relation to mortgages granted to sub-prime borrowers (that is borrowers with a poor or no credit history). Financial exposure to such mortgage assets had been widely distributed on a global basis via securitisations and other risk transfer mechanisms. As a result, a significant number of global commercial banks, investment banks, government-sponsored entities, hedge funds, structured investment vehicles and institutional investors had gained exposure to defaults in respect of such mortgage assets. By mid-2007, concerns about the value of mortgage assets held by these entities led to a general tightening of available credit and liquidity in the global financial markets.

During 2008, the initial instability intensified into a severe global financial crisis. Notwithstanding steps taken by the central banks of the U.S., the U.K. and certain other countries and the European Central Bank to increase liquidity, continued disruption to the credit and liquidity markets and concerns about the value of mortgage assets and credit-related products generally, led to substantial write-downs of asset values by a number of institutions, including government-sponsored entities, insurers and major commercial and investment banks. These write-downs caused many such entities to seek additional capital, to merge with other institutions and, in some cases, to go into insolvency or to be the subject of government bail-out.

In September 2008, the crisis saw a series of collapses of government-sponsored entities, insurers and major commercial and investment banks around the world. These collapses included the bail-out by the U.S. government of the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae), the insolvency of investment bank Lehman Brothers Holdings Inc., the bail-out by the U.S. government of the major U.S. insurer American International Group, Inc., and numerous other rescues and bail-outs in other countries.

In response to the crisis various governments and central banks took substantial measures to ease liquidity problems and enacted fiscal stimulus packages and measures to support certain entities affected by the crisis. Such measures included establishing special liquidity schemes and credit facilities, bank recapitalisation programmes and credit guarantee schemes.

In an attempt to counteract recessionary pressures, the central banks of the U.S., the U.K. and certain other countries and the European Central Bank also lowered interest rates, in some cases to record low levels.

A number of countries have accumulated significant levels of public debt both absolutely and relative to GDP. In connection with this, the global economy and financial markets have further experienced levels of instability and crises, in particular in respect of certain countries that had adopted the Euro (the “**Eurozone Countries**”), such as Greece, Italy, and Spain. This has led to concerns in relation to the sovereign credit risk of other Eurozone economies, as well as to the survival of the euro itself, and it is possible that the structure, nature and regulation of financial markets, including sovereign credit markets, may be fundamentally altered.

A number of Eurozone countries have seen yields on new issues of sovereign debt increase to levels that some commentators have argued are not sustainable. Such increases, combined with existing levels of national debt, have given rise to ongoing concerns of the ability of such Eurozone countries to service their existing debt obligations. Furthermore, Greece restructured a majority of its sovereign debt in the first half of 2012.

2012 saw dialogue among the Eurozone Countries regarding, among other things, the control of fiscal policy, the operation of the European Central Bank, the structuring of the European Financial Stability Facility and the establishment of the European Stability Mechanism. During this time several rating agencies have downgraded a number of Eurozone Countries, including Spain, by one or more notches.

The ongoing concerns regarding the Eurozone Countries, including the possibility of a withdrawal from the Euro by one or more Eurozone Countries or a wider restructuring of the Euro, are likely to continue to effect the financial condition and stability of individual Eurozone Countries and, more widely, the European Union and the global economy.

The above factors have also led to substantial volatility in markets across asset classes, including (without limitation) stock markets, foreign exchange markets, fixed income markets and credit markets.

There can be no assurance that the steps taken by governments to ameliorate the global financial crisis will be successful or that the global recovery will continue. The structure, nature and regulation of financial markets in the future may be fundamentally altered as a consequence of the global financial crisis, possibly in unforeseen ways. There can be no assurance that similar or greater disruption may not occur in the future for similar or other reasons. In addition, the attempts being taken to reduce the high level of sovereign debt may themselves contribute to a further global recession.

There can be no assurance as to how severe the global recession will be or as to how long it will last. There can be no assurance that government actions to limit the impact of the crisis will be successful and that they will not instead lead or contribute to a deeper and/or longer-lasting recession. Economic prospects are subject to considerable uncertainty.

Prospective investors should ensure that they have sufficient knowledge and awareness of the global financial crisis and the responses thereto and of the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes. In particular, prospective investors should take into account the considerable uncertainty as to how the global financial crisis and the wider economic situation will develop over time.

Any person who had held securities during the periods considered above, particularly structured securities, would be highly likely to have suffered significant adverse effects as a result of such holding, including, but not limited to, major reductions in the value of those securities and a lack of liquidity. Prospective investors should consider carefully whether they are prepared to take on similar risks by virtue of an investment in the Notes.

### ***Impact on Liquidity***

The events outlined above have had an extremely negative effect on the liquidity of financial markets generally and in the markets in respect of certain financial assets or in the obligations of certain obligors. This has particularly been the case with respect to the market for structured assets and the obligations of financial institutions and certain sovereigns. Such assets may either not be saleable at all or may only be saleable at significant discounts to their estimated fair value or to the amount originally invested. No assurance can be given that liquidity in the market generally, or in the market for any particular asset class or in the obligations of any particular financial institution or sovereign, will improve or that it will not worsen in the future. Such limited liquidity may have a negative impact on the value of the Notes and the theoretical value of the Warrants (which, in turn, may have a negative impact on the value of the Equity Swap Transactions) and any Eligible Securities delivered pursuant to the Credit Support Annex and the valuation

of any obligations of a Reference Entity following a Credit Event. In particular, should the Notes be redeemed early, Noteholders will be exposed to the theoretical liquidation value of the Warrants and any Eligible Securities delivered pursuant to the Credit Support Annex which value might be affected (in some cases significantly) by such lack of liquidity and lower valuations on obligations of Reference Entities in respect of which Credit Events have occurred.

### ***Impact on Credit***

The events outlined above have negatively affected the creditworthiness of a number of entities, in some cases to the extent of collapse or requiring government rescue. Such credit deterioration has and may continue to be widespread and is no longer confined to the financial services sector. The value of the Notes or of the amount of payments under them may be negatively affected by such widespread credit deterioration. Prospective investors should note that recoveries on assets of affected entities have in some cases been *de minimis* and that similarly low recovery levels may be experienced with respect to other entities in the future which may include the Reference Entities and any Eligible Securities delivered pursuant to the Credit Support Annex.

### ***Impact of Increased Regulation and Nationalisation***

The events since 2007 have seen increased involvement of governmental and regulatory authorities in the financial sector and in the operation of financial institutions. In particular, governmental and regulatory authorities in a number of jurisdictions have imposed stricter regulatory controls around certain financial activities and/or have indicated that they intend to impose such controls in the future. The United States of America, the European Union and other jurisdictions are actively considering various reform measures. In certain jurisdictions (e.g. the United States of America), legislation has come into force in this respect, although the rules and regulations required to implement the particulars of any such legislation have yet to be considered. In other jurisdictions (e.g. the European Union), a number of draft pieces of legislation have been proposed and are currently being considered. Such regulatory changes and the method of their implementation may have a significant impact on the operation of the financial markets. It is uncertain how a changed regulatory environment will affect the Issuer and the treatment of the Notes, the Swap Counterparty, the Dealer and the other transaction parties. In addition, governments have shown an increased willingness wholly or partially to nationalise financial institutions, corporates and other entities in order to support the economy. Such nationalisation may impact adversely on the value of the stock or other obligations of any such entity. In addition, in order to effect such nationalisation, existing obligations or stock might have their terms mandatorily amended or be forcibly redeemed. To the extent that Credit Suisse International, as the Swap Counterparty, Disposal Agent, Calculation Agent and Valuation Agent and/or the Reference Entities or any other person or entity connected with the Notes is subject to nationalisation or other government intervention, it may have an adverse effect on a holder of the Notes.

### ***Systemic Risk***

Financial institutions and other significant participants in the financial markets that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as “systemic risk”. Financial institutions such as Credit Suisse International, and those other parties acting as the Trustee, the Custodian and certain Agents (or any affiliate of any of them) and any Reference Entities referenced in the Credit Default Swap Transactions and any Eligible Securities held by the Issuer from time to time that are financial institutions (which will be the case in respect of the Reference Entities) or are significant participants in the financial markets are likely routinely to execute a high volume of transactions with various types of counterparties, including brokers and dealers, commercial banks, investment banks, insurers, mutual and hedge funds and institutional clients. To the extent they do so, they are and will continue to be exposed to the risk of loss if counterparties fail or are otherwise unable to meet their obligations. In addition, a default by a financial institution or other significant participant in the financial markets, or concerns about the ability of a financial institution or other significant participant in the financial markets to meet its obligations, could lead to further significant systemic liquidity problems and other problems that could exacerbate the global financial crisis and as such have a material adverse impact on other entities.

### **Foreign Exchange Risk**

In addition to the foreign exchange risks associated with the Class A Attributable Warrants and the Class B Attributable Warrants as outlined above, the Eligible Securities may be denominated in a different currency from the Notes. Accordingly, the Noteholders shall be exposed to foreign exchange risk of Euro and/or any other currency in respect of which Eligible Securities are denominated in against SEK. The volatility of foreign exchange rates may therefore lead to Noteholders suffering a significant loss on their investment as a result of the movement of such foreign exchange rates during the life of the Notes.

### **No disclosure of information; disclosure of confidential information**

The Issuer or Credit Suisse International may, whether by virtue of the types of relationships described herein or otherwise, at any time, be in possession of information in relation to the Reference Entities, Eligible Securities or the Warrants or the Swap Counterparty that is or may be material in the context of the issue of the Notes and that may or may not be publicly available or known to the Noteholder, and the Notes do not create any obligation on the part of the Issuer or Credit Suisse International or any other person to disclose to any Noteholder any such relationship or information (whether or not confidential).

## TRANSACTION DESCRIPTION

*This Transaction Description must be read as a description only of certain features of the Notes. Any decision to invest in any Notes should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. This Transaction Description does not contain all the information which may be important to prospective investors. Prospective investors should read the Issue Terms of the Notes, the Summary, the Risk Factors, the Questions and Answers relating to the Notes and the more detailed information that is contained elsewhere in this Prospectus and in the Base Prospectus or is incorporated by reference in such documents. In addition, prospective investors should consult with their investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.*

*The information contained in this section is subject in its entirety to the Issue Terms of the Notes.*

*This section is not intended as a description of the risks an investment in any of the Notes may involve. Risks specifically relating to the Notes are set out in the section of this Prospectus entitled Risk Factors.*

*This section is divided into (i) a section entitled “General Transaction Information”, that contains information relevant for all Classes of Notes, (ii) a section entitled “Class A Notes Transaction Information” that contains additional information relevant for prospective investors in Class A Notes, and (iii) a section entitled “Class B Notes Transaction Information” that contains additional information relevant for prospective investors in Class B Notes.*

*As used in this Prospectus, the term “**Relevant Transaction Information Section**” means (i) in respect of the Class A Notes, the section of this Transaction Description entitled “Class A Notes Transaction Information” and (ii) in respect of the Class B Notes, the section of this Transaction Description entitled “Class B Notes Transaction Information”.*

### General Transaction Information

#### Contents

This General Transaction Description includes the following main sections:

- (a) Overview
- (b) Company
- (c) Compartment and source of funds
- (d) Status of Notes
- (e) Collateral
- (f) Security
- (g) The Equity Swap Transactions
- (h) The Credit Default Swap Transactions
- (i) Replacement of Swap Counterparty and agents and Rights of Noteholder Facilitator



## Overview

The Notes are issued by Argentum Capital S.A. (the “**Company**”) acting in respect of Compartment GAP 1924 - 1925 June 2014 (the “**Issuer**”) and are secured, limited recourse obligations of the Issuer. The Notes comprise Class A Notes and Class B Notes.

On the Issue Date the Issuer will enter into the Swap Agreement in respect of the Notes with Credit Suisse International in its capacity as Swap Counterparty, under which the Issuer and the Swap Counterparty will enter into Equity Swap Transactions and Credit Default Swap Transactions relating to the Notes. On the Issue Date,

- (a) a portion of an amount equal to the Issue Price of each Class of Notes (which is expected to be between 5% and 25% in respect of each Class) will be used to fund an initial exchange payment under the Equity Swap Transaction referencing the Class A Attributable Warrants (the performance of which will affect the return on the Class A Notes) and the Equity Swap Transaction referencing the Class B Attributable Warrants (the performance of which will affect the return on the Class B Notes); and
- (b) the remaining portion of the Issue Price of each Class of Notes will be used to fund an initial exchange payment under each of the Credit Default Swap Transactions.

The Credit Default Swap Transactions will each reference, as at the Issue Date, four Reference Entities (such number of Reference Entities as at the Issue Date (as such number may increase as a result of the occurrence of Succession Events (as defined in the relevant confirmation in respect of each Credit Default Swap Transaction) is referred to in this Prospectus as the “**Number of Reference Entities**”). It is important to note that the Reference Entities referenced in one Credit Default Swap Transaction will be identical with the Reference Entities referenced in each other Credit Default Swap Transaction. The Number of Reference Entities may change during the term of the Credit Default Swap Transactions as a result of the occurrence of Succession Events. Accordingly, Noteholders must note that the Reference Entities (and the Number of Reference Entities) may change from time to time as a result of Succession Events.

The Reference Entities are all banks incorporated within Europe or the United States of America as described in more detail below and in the section of this Prospectus entitled “*Description of the Reference Entities*”.

The notional amount of each Credit Default Swap Transaction (the “**Class Notional Amount**” in respect of such Credit Default Swap Transaction) will be denominated in SEK and the size of such Class Notional Amount will depend on the relevant Class of Notes to which such Credit Default Swap Transaction relates and is described in more detail in the Relevant Transaction Information Section relating to such Class.

Upon the occurrence of a Credit Event (as defined in the relevant confirmation in respect of each Credit Default Swap Transaction) in respect of a Reference Entity and in respect of which an Event Determination Date (as defined in the relevant confirmation in respect of each Credit Default Swap Transaction) occurs, the Notes of each Class will be redeemed in part and the amount payable in connection with such partial redemption of such Class of Notes held by a Noteholder, as described in more detail in the Relevant Transaction Information Section relating to such Class of Notes, shall be discounted by the Class Redemption Factor relating to such Class of Notes. The Class Redemption Factor relating to a Class of Notes reflects the fact that an amount equal to only a percentage of the Issue Price of such Class of Notes will be paid to the Swap Counterparty on the Issue Date since the balance of the amount equal to the Issue Price not paid to the Swap Counterparty in connection with the Credit Default Swap Transaction in relation to each Class of Notes is used to fund the initial exchange payments under the Equity Swap Transaction relating to such Class. Accordingly, the amount payable in respect of the partial redemption of such Class of Notes following the occurrence of a Credit Event will be lower than if an amount equal to 100% of the Issue Price were paid to the Swap Counterparty pursuant to the Credit Default Swap Transaction on the Issue Date.

By virtue of the Credit Default Swap Transactions, Noteholders are not just exposed to the risk of Credit Events occurring in respect of the Reference Obligations of the Reference Entities referenced in the Credit Default Swap Transactions but are more generally exposed to the credit risk, and certain other risks, relating to such Reference Entities (including their insolvency) and defaults under other obligations of the Reference Entities.

The Warrants do not represent or constitute any payment or other obligations of Credit Suisse International or any other person. They are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts that are payable under the Equity Swap Transactions, as more fully described in “*Description of the Class Attributable Warrants*” below and references to Warrants or any Class Attributable Warrants in this section of this Prospectus and in this Prospectus generally shall be construed accordingly.

Information regarding payments due in respect of each Class of Notes, and the effect of certain events in respect of the Notes, the Warrants (and therefore the Equity Swap Transactions) and the Credit Default Swap Transactions relating to such Class of Notes are set out in the Relevant Transaction Information Section relating to such Class of Notes.

## **Company**

The Company is a public limited liability company (*société anonyme*) whose activities are subject to the Securitisation Act 2004. The Company has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) as a regulated securitisation undertaking within the meaning of articles 19 et seq. of the Securitisation Act 2004 and is supervised by the CSSF.

The registered office of the Company is at 51 Avenue J.-F. Kennedy, L-1855 Luxembourg. The share capital of the Company is EUR 31,000 divided into 31,000 shares with a par value of EUR 1 (each a “**Company Share**”) all of which are fully paid. All the issued Company Shares are held by Stichting Argentum, a foundation (*stichting*) incorporated under the laws of The Netherlands (the “**Shareholder**”).

## **Compartment and source of funds**

In connection with the issue of the Notes, the board of directors of the Company will create a compartment of the Company (Compartment GAP 1924 - 1925 June 2014 (the “**Compartment**”)) relating solely to these Notes separate from any other Series of Notes issued by the Company. A compartment is a separate part of the Company’s assets and liabilities. An investor’s recourse to the Issuer in respect of these Notes is limited to the assets and liabilities allocated to the Compartment created in respect of these Notes.

The principal assets of the Issuer allocated to the Compartment are the Issuer’s rights against the Swap Counterparty under the Swap Agreement.

The ability of the Issuer to pay the intended amounts due under the Notes (as described in more detail in the Relevant Transaction Information Section relating to each Class of Notes) will be dependent upon the payment of:

- (a) the payment of all sums due from the Swap Counterparty under the Swap Agreement; and
- (b) the value of any Eligible Securities delivered to the Issuer under the Credit Support Annex in certain circumstances.

Where such assets are not sufficient to meet the claims of the investors in relation to the Notes, investors will have no further recourse to any other assets of the Company. In connection with this, investors should be aware that where any Notes redeem early the assets allocated to the Compartment relating to the Notes and any amounts derived from such assets shall first be used to pay certain amounts owing to other parties, including Credit Suisse International as Swap Counterparty to the extent that any amounts are owing to it.

These amounts may be significant and will reduce the amount available to investors in the Notes, potentially to zero.

### **Status of the Notes**

The Notes are secured, limited recourse obligations of the Issuer.

The Class A Notes rank *pari passu* without any preference among themselves and the Class B Notes rank *pari passu* without any preference among themselves.

Furthermore, the Class A Notes and the Class B Notes rank *pari passu* with each other without any preference among the Classes, although it is to be noted that payments to which Noteholders will be entitled with respect to amounts derived from each Equity Swap Transaction will not be the same as between the Classes due to each of the Class Attributable Warrants referenced by the Equity Swap Transactions being on different terms.

### **Equity Swap Transactions**

As outlined above, and elsewhere in this Prospectus, the return on each Class will be partly dependent on amounts payable on the Equity Swap Transaction relating to the relevant Class. Each Equity Swap Transaction references different Class Attributable Warrants and therefore the return on each Class will be partly dependent on the performance of the relevant Class Attributable Warrants.

### **Security**

The Issuer will enter into a trust deed on the Issue Date with BNY Mellon Corporate Trustee Services Limited as trustee of the Notes (the “**Trustee**”) under English law pursuant to which the Notes will be constituted and secured (the “**Issue Deed**”). In accordance with such Issue Deed, the Trustee is granted English law governed security for itself and as trustee over, among other things, the rights of the Issuer under the Swap Agreement as continuing security for, among other things, the payment of all sums due under the Notes. The Notes will also have the benefit of a Luxembourg law governed security interest (pledge agreement) which is granted to the Trustee (for, among other things, the benefit of itself and the Noteholders) over the Mortgaged Property allocated to Compartment GAP 1924 - 1925 June 2014.

Under the Issue Deed, the Trustee undertakes to hold on trust the security granted to it for, among other things, the benefit of itself and the Noteholders and has the right to enforce the security upon the occurrence of an Enforcement Event, for example, in the event of a non-payment of certain amounts due under the Notes. The Trustee may also accelerate the Notes following the occurrence of an Event of Default.

While the Trustee is permitted to give notice to the Issuer of its determination that an Event of Default has occurred (and that accordingly the Notes have become immediately due and payable) and to determine that an Enforcement Event has occurred and enforce the security for the Notes, it is not required to do so, unless (i) the Trustee is directed by an Extraordinary Resolution passed by the Noteholders to do so (in the case of either an Event of Default or Enforcement Event or (ii) the Trustee is directed by the Swap Counterparty in writing (in the case of an Enforcement Event only), and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction.

As indicated above, the Noteholders, by passing an Extraordinary Resolution, will be entitled to direct the Trustee to give an Early Redemption Notice to the Issuer and, if necessary, enforce the security following an Event of Default, subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction. Such Extraordinary Resolution if passed by way of a signed written resolution or given by way of electronic consents through the clearing systems (where the Notes are held on behalf of a Clearing System) must be passed by Noteholders holding, in aggregate, across the Class A Notes and the Class B Notes, at least 75% in principal amount of all of the outstanding Notes. Given the wide distribution of the Notes, Noteholders should be aware that there may be a significant delay between the Noteholders becoming entitled to make

such a direction to the Trustee and Noteholders holding a sufficient nominal amount of the Notes being able to make such request and provide the required indemnification, security and/or prefunding to the Trustee.

The Trustee is obliged to pay to the proceeds from the realisation or enforcement of the Mortgaged Property with the priority set out below:

- (a) amounts owing to the Swap Counterparty pursuant to the Credit Support Annex (which shall be equal to the lesser of (A) the Available Proceeds attributable to the Swap Counterparty's Credit Support Balance; and (B) an amount equal to (1) the Available Proceeds attributable to the Swap Counterparty's Credit Support Balance *minus* (2) the Early Termination Amount (whether negative or positive) with respect to the Swap Agreement);
- (b) the payment or satisfaction of all taxes owing by the Issuer;
- (c) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the security (including any taxes to be paid, legal fees and remuneration);
- (d) certain amounts owing to the Custodian, the Paying Agents and the other Agents in respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and their fees, costs, charges, expenses and liabilities;
- (e) any fees of the Disposal Agent;
- (f) any amounts owing to the Swap Counterparty under the Swap Agreement;
- (g) fees of the Corporate Services Provider; and
- (h) amounts owing to the Noteholders on a *pari passu* and *pro rata* basis.

### **The Equity Swap Transactions**

An Additional Payout Amount is payable in respect of each Class of Notes which is funded by the Equity Swap Transaction relating to the relevant Class of Notes referencing the relevant Class Attributable Warrants. Since the Class Attributable Warrants are, as between each Class different, the Additional Payout Amount in respect of each Class will be different. Further information in respect of the Equity Swap Transactions and each respective Additional Payout Amount is set out below in each Relevant Transaction Information section.

### **The Credit Default Swap Transactions**

Each Class of Notes is credit linked as a result of identical (save for the specified Class Notional Amount and specified Class Redemption Factor) Credit Default Swap Transactions, as evidenced in a single confirmation, which incorporate by reference the Credit Derivatives Definitions. More detail relating to the Credit Derivatives Definitions is set out below and also in the sections of this Prospectus entitled "*Risk Factors*", "*Questions and Answers*" and "*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*". Notwithstanding the incorporation by reference of the Credit Derivatives Definitions, the Credit Default Swap Transaction relating to each Class of Notes is a complex and bespoke transaction which may differ in significant respects from other credit derivative transactions.

Below is a summary explanation of certain elements of the Credit Default Swap Transactions applicable to all Notes. Additional descriptions are set out, and certain risks highlighted in, the sections of this Prospectus entitled "*Risk Factors*", "*Questions and Answers*" and "*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*".

However, such descriptions and risks are a summary only of certain terms of, and certain risks relating to, the Credit Default Swap Transactions and are not exhaustive. It is vital that investors in respect of a particular Class of Notes read and completely understand the terms of the Credit Default Swap Transaction relating to such Class of Notes, the confirmation in respect of which is set out in full in this Prospectus. The terms of the Credit Default Swap Transactions are complex and, accordingly, an investment in the Notes is only suitable for investors who are not only familiar with credit derivatives but who also have read and understood the terms of each Credit Default Swap Transaction relating to such Notes and who understand their relationship to the performance of the Notes.

### *Overview*

Under each Credit Default Swap Transaction, the Issuer is selling protection on the four Reference Entities referenced in such Credit Default Swap Transaction (provided that the Number of Reference Entities may change during the term of the Credit Default Swap Transactions as a result of the occurrence of Succession Events, as to which see *Reference Entities and Succession Events* in the section of the Prospectus entitled “*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*” below). The Reference Entities referenced in one Credit Default Swap Transaction will be identical with the Reference Entities referenced in each other Credit Default Swap Transaction.

On the Issue Date, the Dealer is expected to pay or arrange for the payment of an amount to the Swap Counterparty equal to between 75% and 95% of the Issue Price of each Class of the Notes. If no Credit Events have occurred by, and no Unsettled Credit Events (as defined in the confirmation in respect of the Credit Default Swap Transactions) are outstanding on, 4 April 2020 (being the Credit Event Observation Period End Date), under the Credit Default Swap Transaction in respect of each Class of Notes, the Swap Counterparty will be obliged to pay an amount to the Issuer on the Scheduled Maturity Date in respect of the relevant Credit Default Swap Transaction equal to the product of 100% of the Class Notional Amount as at the Scheduled Maturity Date (as the same may have been increased as a result of the issue of further Notes of such Class or reduced as a result of purchases and cancellations of the Notes of such Class by the Issuer). The Class Notional Amount relating to the Credit Default Swap Transaction in respect of each Class of Notes is described in more detail in the Relevant Transaction Information Section relating to such Class of Notes.

The consequences of the occurrence of Credit Events or the existence of any Unsettled Credit Events as at the Credit Event Observation Period End Date are described in more detail below.

### *Reference Entities and Reference Obligations*

The Reference Entities referenced in the Credit Default Swap Transaction relating to each Class of Notes on the Issue Date will be identical and will be banking entities. They will comprise the following as at the Issue Date:

- (a) The Goldman Sachs Group, Inc.;
- (b) The Royal Bank of Scotland plc;
- (c) Commerzbank Aktiengesellschaft; and
- (d) Société Générale.

As used in this Prospectus, The Goldman Sachs Group, Inc. is a “**US Reference Entity**”.

Noteholders must note that Reference Entities may change from time to time as a result of Succession Events (including Succession Events occurring prior to the Issue Date).

Furthermore, the Reference Obligations that will be referenced in the Credit Default Swap Transaction relating to each Class of Notes on the Issue Date will be identical (and constitute an Obligation for the purposes of the Credit Derivatives Transaction, as described below) are as follows (the “**Reference Obligations**”):

- (a) in respect of The Goldman Sachs Group, Inc.: USD3,200,000,000 5.95 per cent. fixed rate notes due 2018 issued by The Goldman Sachs Group, Inc. (ISIN: US38141GFG47);
- (b) in respect of The Royal Bank of Scotland plc: EUR50,000,000 fixed rate to index linked interest notes due 2020 issued by The Royal Bank of Scotland plc (ISIN: XS0235714804);
- (c) in respect of Commerzbank Aktiengesellschaft: EUR1,000,000,000 4.00 per cent. fixed rate notes due 2020 issued by Commerzbank Aktiengesellschaft (ISIN: DE000CZ302M3); and
- (d) in respect of Société Générale: EUR1,000,000,000 2.375 per cent. fixed rate notes due 2018 issued by Société Générale (ISIN: XS0821220281).

The Class Notional Amount of each Credit Default Swap Transaction (as described in the Relevant Transaction Information Section in respect of the Class of Notes to which such Credit Default Swap Transaction relates) that is allocated to each of the four Reference Entities shall be divided equally between such Reference Entities irrespective of the likelihood of the occurrence of a Credit Event in respect of such Reference Entities. Such allocation may vary after the Issue Date as a result of the occurrence of any Succession Events in respect of the Reference Entities and may no longer be divided equally between the Reference Entities.

**Prospective investors must note that none of Credit Suisse International (in its capacity as Swap Counterparty, Arranger and Dealer) or any of its affiliates, (collectively, “Credit Suisse”), the Issuer, the Trustee, any Agent or the Distributor is under any obligation to monitor whether or not a Credit Event or Credit Event Resolution Request Date has occurred in respect of a Reference Entity or any responsibility for monitoring any other developments, announcements or publications relating to any Reference Entity and shall have no liability or responsibility to any Noteholder or any other person in the event of the occurrence of any Credit Event or Credit Event Resolution Request Date in respect of any Reference Entity either prior to, or following its inclusion as a Reference Entity in the Credit Default Swap Transactions by the Distributor.**

**None of the Issuer, Credit Suisse, the Trustee or any Agent shall provide any information in respect of any Reference Entity to any prospective investor save for the information provided in this Prospectus. Further information in respect of the Reference Entities may be available from publicly available sources, including, without limitation, from the websites of the stock exchanges on which the Reference Entities have securities listed (including those websites set out in the section of this Prospectus entitled “*Description of the Reference Entities*”).**

The proportion of the Class Notional Amount of the Credit Default Swap Transaction relating to each Class of Notes as at the Issue Date (as described in more detail in the Relevant Transaction Information Section relating to such Class) allocated to each Reference Entity referenced therein will be one quarter. Such weighting may adjust to reflect the revised Number of Reference Entities following the occurrence of a Succession Event.

Descriptions of the Reference Entities are set out under the section of this Prospectus entitled “*Description of the Reference Entities*”. Descriptions of the Reference Obligations are set out under the section of this Prospectus entitled “*Description of the Reference Obligations*”.

*Credit Events*

Each of the Reference Entities referenced in the Credit Default Swap Transactions (including certain Obligations of such Reference Entities) may be subject to the occurrence of any of the following Credit Events occurring on or prior to the Credit Event Observation Period End Date):

- (a) Failure to Pay
- (b) Bankruptcy
- (c) Restructuring (save in respect of any Reference Entity that is a US Reference Entity)

More detailed information on the various Credit Events can be found in “*Credit Events and related terms*” in the section of the Prospectus entitled “*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*”.

The Obligations applicable in respect of any Reference Entities referenced in the Credit Default Swap Transactions comprise any obligation for the payment or repayment of borrowed money. See “*Obligations, Obligation Categories and Obligation Characteristics*” in the section of the Prospectus entitled “*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*” for more information about the Obligations.

#### *Role of the Credit Derivatives Determinations Committees*

By incorporation of the Credit Derivatives Definitions, certain determinations relating to, and affecting, the Credit Default Swap Transactions may be made by the Credit Derivatives Determinations Committee, which has the power to make binding decisions on critical issues such as whether a Credit Event has occurred, which obligations are to be valued and whether an Auction should take place in accordance with and as more fully described in the Credit Derivatives Determinations Committees Rules. See “*Questions and Answers*” and “*CDDCs have the power to make binding determinations and CDDC membership*” in the section of the Prospectus entitled “*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*”.

#### *Reference Entities may change as a result of Succession Events:*

As described above, in “*Questions and Answers*” and “*Reference Entities and Succession Events*” in the section of the Prospectus entitled “*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*”, the Reference Entities referenced in the Credit Default Swap Transactions (and to which the Notes are therefore exposed) may change from time to time as a result of the occurrence of any Succession Events and, if more than one successor Reference Entity is determined as a result of any such Succession Event, the proportion of the Class Notional Amount of each Credit Default Swap Transaction allocated to such Reference Entity that was subject to such Succession Event shall be adjusted to reflect the inclusion of the new successor Reference Entity. The Calculation Agent is responsible for making determinations as to whether a Succession Event has occurred, provided that the Calculation Agent is not required to, and will not, make any such determination if ISDA has announced that a Credit Derivatives Determination Committee has been convened for such purpose and if such Credit Derivatives Determination Committee has resolved to make such determination.

#### *Credit Event and Succession Event Backstop Dates*

The exposure under the Credit Default Swap Transaction, and therefore, the Notes, to the risks associated with the Reference Entities that will be referenced in the Credit Default Swap Transactions includes exposure in the period from and including 27 April 2014 to the Issue Date.

Therefore, it is possible that Credit Events (or events that may give rise to Credit Events) that will lead to reductions in the Class Notional Amounts of the Credit Default Swap Transactions (and resulting partial redemptions of the Notes as described in the applicable Relevant Transaction Information Sections) may

occur prior to the Issue Date of the Notes. Accordingly, investors should note that their investment in the Notes may be reduced to zero as a result of such events that occur prior to the Issue Date of the Notes and there can be no assurance that the Issuer or the Swap Counterparty or any other person will be aware of such events until after the Issue Date.

**Investors in the Notes should only acquire these Notes if they are prepared to risk the entire loss of their investment in the Notes, including as a result of Credit Events (or events that may give rise to Credit Events) that occur prior to the issue of such Notes.**

Similarly, for Succession Events the look-back period runs from 28 March 2014 and it is therefore possible that the Notes could be affected by a Succession Event that took place prior to the Issue Date. See “*Questions and Answers*” and “*Reference Entities and Succession Events*” in the section of the Prospectus entitled “*Credit Default Swaps and the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes*” for more information about the look-back period for Succession Events.

#### *No requirement for exposure to Reference Entities*

Even though the Credit Default Swap Transactions will reference the Reference Entities (and, accordingly, the Obligations relating thereto), as the same may change as a result of the occurrence of any Succession Events, the occurrence of any Credit Event and/or the calculation and application of any Auction Final Price, or where the Fallback Settlement Method is applicable, the Final Price pursuant to the Credit Default Swap Transactions does not depend on Credit Suisse International actually sustaining or being exposed to any risk or loss and the rights and obligations of the Swap Counterparty in respect of the Credit Default Swap Transactions are not, at any time, dependent upon Credit Suisse International owning or having any legal, equitable or other interest in, or indirect exposure to, any of the Reference Entities referenced in the Credit Default Swap Transactions, nor shall Credit Suisse International have any obligation to purchase or hold a Reference Entity’s obligations at any time.

#### **The Credit Support Annex**

The Issuer and Credit Suisse International will enter into a Credit Support Annex pursuant to the Swap Agreement.

Due to the nature of the Equity Swap Transactions and the Credit Default Swap Transactions, upon payment of the relevant portion of the issue proceeds of the relevant Classes of Notes to the Swap Counterparty under the Equity Swap Transactions and the Credit Default Swap Transactions on the Issue Date, no further amounts will be payable by the Issuer to the Swap Counterparty under the Equity Swap Transactions and the Credit Default Swap Transactions. Furthermore, the Issuer will be exposed to the credit risk of Credit Suisse International as Swap Counterparty for payment of any Credit Suisse Cash Settlement Amounts and the funding of any amounts due on final redemption of the Notes (including each Additional Payout Amount with respect to the relevant Class of Notes).

The Swap Counterparty will be required to deliver Eligible Securities to the Issuer having a value equal to any such exposure the Issuer may have to the Swap Counterparty, as valued on a weekly basis. The purpose of this is to reduce the exposure of the Issuer, and therefore, the Noteholders, to the Swap Counterparty if, upon a termination of the Swap Agreement as a result of a default by the Swap Counterparty under the Swap Agreement or the occurrence of certain insolvency or bankruptcy events relating to the Swap Counterparty, a termination amount is payable by the Swap Counterparty to the Issuer (which would be expected to be the case in such circumstances).

These Eligible Securities must be debt obligations denominated in any of GBP, USD, JPY or EUR and may include obligations issued by any of the Federal Republic of Germany, the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Republic of Italy, the Kingdom of Spain, the Government of Japan or the Republic of France. The Eligible Securities will at all times have a long-term unsecured and unsubordinated debt rating of higher than C by Moody’s and a long-term unsecured and unsubordinated debt rating of higher than D by S&P.



The Swap Counterparty shall act for its own benefit and is not required to, and may not, take into account the interests of the Noteholders in determining what securities, meeting the required criteria, to deliver to the Issuer under the Credit Support Annex.

## **Replacement of Swap Counterparty and Agents and Rights of Noteholder Facilitator**

### *Replacement of Swap Counterparty*

The terms of the Notes provide that, upon the occurrence of (i) a Counterparty Bankruptcy Credit Event; or (ii) an Event of Default (as defined in the Swap Agreement) with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Credit Event); or (iii) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of the Credit Default Swap Transactions (a “**CDS Termination Event**”); or (iv) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of any Equity Swap Transaction (an “**Equity Swap Termination Event**”); or (v) the long term senior, unsecured rating assigned by Moody’s Investors Service Limited (“**Moody’s**”) to the Swap Counterparty being withdrawn or is less than Ba1 or if the short term rating assigned by Moody’s to the Swap Counterparty is less than P-3 (any such downgrade or withdrawal, a “**Moody’s Ba1/P-3 Downgrade**” and such event, along with each of a Counterparty Bankruptcy Credit Event, an Event of Default with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Event), a CDS Termination Event and an Equity Swap Termination Event, a “**Replacement Event**”), the Issuer shall not designate an Early Termination Event and shall notify Garantum Fondkommission AB (as Noteholder Facilitator) as soon as reasonably practicable upon becoming aware of any such occurrence.

If (i) a Replacement Event occurs or (ii) (x) a Moody’s Ba1/P-3 Downgrade occurs and (y) the Swap Counterparty gives its prior written consent to such direction, Garantum Fondkommission the Noteholder Facilitator is entitled to direct the Issuer by notice copied to the Trustee to enter into a replacement Swap Agreement with a replacement Swap Counterparty in respect of all Credit Default Swap Transactions and all Equity Swap Transactions or (in the case of a CDS Termination Event only) in respect of the Credit Default Swap Transactions and/or (in the case of an Equity Swap Termination Event) in respect of the relevant Equity Swap Transaction(s), identified by the Noteholder Facilitator. For the avoidance of doubt, the occurrence of a Moody’s Ba1/P-3 Downgrade will not entitle the Issuer to terminate the Swap Agreement and the Noteholder Facilitator shall not be entitled to give such a replacement direction upon the occurrence of a Moody’s Ba1/P-3 Downgrade unless the Swap Counterparty has given its prior written consent.

With respect to the occurrence of a Replacement Event which would otherwise have given rise to an early redemption of the Notes, if a replacement Swap Agreement is entered into by the Issuer with such replacement Swap Counterparty within 30 calendar days of the relevant Replacement Event, then an early redemption under the Notes will not occur as a result. Instead, the ongoing payment obligations of the Swap Counterparty under the Swap Agreement would, effectively, now be ongoing payment obligations of such replacement Swap Counterparty.

Once appointed, if a replacement Swap Counterparty were itself to be subject to a Replacement Event, the same replacement process outlined herein would apply. Again, if a replacement Swap Counterparty was not appointed within 30 calendar days of the occurrence of a Replacement Event which gives rise to an early redemption of the Notes, then the Notes would redeem early.

In order for a replacement Swap Agreement to be entered into in these circumstances, certain requirements need to be met, including:

- (a) the replacement Swap Counterparty must be a reputable financial institution with a place of business in London which enters into derivative transactions as part of its ongoing business activities and which has, as a minimum, the Ba1/P-3 Rating as of the date the replacement Swap Agreement is entered into;
- (b) the replacement Swap Counterparty must be satisfactory to the Issuer and the Trustee; and

- (c) the price such replacement Swap Counterparty is willing to pay or receive to enter into such replacement Swap Agreement must be satisfactory to the Swap Counterparty subject to the Replacement Event.

Where a replacement Swap Agreement is entered into, certain costs and expenses may be incurred by the Trustee and the Issuer and these are expected to be funded by the replacement Swap Counterparty on the date it enters into the replacement Swap Agreement.

The Swap Counterparty may, under these provisions, be replaced more than once during the term of the Notes as a result of defaults by any subsequent replacement Swap Counterparty. Therefore, the Swap Counterparty may not be Credit Suisse International during the term of the Notes and it is not possible to know as at the Issue Date, the identity of any replacement Swap Counterparty that may enter into a replacement Swap Agreement in connection with the Notes in the circumstances referred to above.

#### *Replacement of Agents*

Where the Swap Counterparty is replaced in the circumstances contemplated above and the existing Swap Agreement has been terminated in full, it is intended that the agency roles performed by such entity, which, as at the Issue Date, include the Calculation Agent and Disposal Agent in respect of the Notes, would be transferred to another entity or entities identified by Garantum Fondkommission AB (or any successor entity thereto) (as Noteholder Facilitator), provided that certain requirements were met, including:

- (a) the entity or entities must be reputable financial institutions with a place of business in London which provides such agency services as part of their ongoing business activities and which has or have, as a minimum, the Ba1/P-3 Rating as of the date of appointment; and
- (b) the entity or entities must be satisfactory to the Issuer, Trustee and replacement Swap Counterparty.

Following such identification of the replacement entity or entities, the Issuer is then required to use reasonable efforts to enter into such agreements as are necessary to appoint such entity or entities to perform such agency roles on, or as soon as reasonably practicable following, the entry into of a replacement Swap Agreement with the replacement Swap Counterparty.

The relevant Agents may, under these provisions, be replaced more than once during the term of the Notes where the Swap Counterparty is also replaced as described above.

## Class A Notes Transaction Information

### Interest on the Class A Notes

No amount of interest will be payable in respect of the Class A Notes.

### Summary of amounts payable in respect of redemption of the Class A Notes on the Scheduled Maturity Date and any Extended CDS Termination Date

#### *General*

No amounts are scheduled to be paid under the Notes to investors in the Class A Notes prior to the scheduled maturity of the Class A Notes, which is expected to be on 4 April 2020, subject to (a) any postponement in the settlement of the Equity Swap Transaction referencing the Class A Attributable Warrants in accordance with its terms and (b) the existence of one or more Unsettled Credit Events relating to the Reference Entities referenced in the Credit Default Swap Transactions outstanding as at the scheduled maturity date of the Notes.

#### *Final Redemption Amounts or Partial Final Redemption Amounts and Remaining Final Redemption Amounts*

If the Class A Notes have not previously been redeemed following the occurrence of any Early Redemption Events and:

- (i) are to be redeemed in full on the Scheduled Maturity Date, the Swap Counterparty is required to pay to the Issuer the Final Redemption Amount in respect of the Class A Notes; or
- (ii) there are any Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date, the Notes will not be redeemed in full on the Scheduled Maturity Date and, instead, in redemption of the Notes, the Issuer is required to pay (x) the Partial Final Redemption Amount in respect of the Class A Notes on the Scheduled Maturity Date and (y) the Remaining Final Redemption Amount in respect of the Class A Notes on the relevant Extended CDS Termination Date.

If only a Partial Final Redemption Amount is payable on the Scheduled Maturity Date, a further amount may be payable on the Credit Event Instalment Date(s) falling after the Scheduled Maturity Date. See “*Impact of the Credit Default Swap Transactions on the Class A Notes*”, below.

The Final Redemption Amount in respect of the Class A Notes will be the Outstanding Principal Amount of the Class A Notes as at the Scheduled Maturity Date, as applicable (as the same may have previously been reduced as described below).

The Partial Final Redemption Amount in respect of the Class A Notes will be (i) the Outstanding Principal Amount of the Class A Notes as at the Scheduled Maturity Date (as the same may have previously been reduced as described below) *minus* (ii) the Reference Entity Notional Amounts (as determined under the Credit Default Swap Transaction relating to the Class A Notes) of the Reference Entities in respect of which the applicable Unsettled Credit Events have been determined as at the Credit Event Observation Period End Date.

The Remaining Final Redemption Amount in respect of the Class A Notes will be the Outstanding Principal Amount of the Class A Notes as at the Extended CDS Termination Date (as the same may have been reduced as described below).

Where (i) above applies, the Final Redemption Amount or where (ii) above applies, the Partial Final Redemption Amount and the Remaining Final Redemption Amount is expected to be funded by the Swap

Counterparty paying such amounts to the Issuer pursuant to the Credit Default Swap Transaction relating to the Class A Notes.

#### *Additional Payout Amounts*

Holders of the Class A Notes may also receive, in addition to their *pro rata* portion of any Final Redemption Amount or, where applicable, Partial Final Redemption Amount and Remaining Final Redemption Amount, a further amount on the Scheduled Maturity Date, depending on the performance of the Class A Attributable Warrants. Such amount shall be such holder's *pro rata* share of the Additional Payout Amount relating to the Class A Notes. Such Additional Payout Amount will be equal to either (i) the Warrant Final Redemption Amounts (as defined in the section of the Prospectus entitled "*Description of the Class Attributable Warrants – Part A*") under the terms of the Class A Attributable Warrants (which amount is payable by the Swap Counterparty under the relevant Equity Swap Transaction) or (ii) where the Class A Attributable Warrants would have been redeemed early in accordance with their terms, the relevant redemption proceeds (which amount is payable by the Swap Counterparty under the relevant Equity Swap Transaction).

Prospective investors in Class A Notes must note that there can be no assurance that any Additional Payout Amount will be payable in respect of the Class A Notes. In such circumstances, the maximum return on investment on the Class A Notes if held to maturity will be limited to 100% of the amount invested and may be considerably lower.

#### **Intended Return on Class A Notes on the Scheduled Maturity Date**

If the Class A Notes remain outstanding until maturity, the return on the Scheduled Maturity Date on each Class A Note having a principal amount equal to SEK 10,000 is intended to be equal to the sum of:

- (a) SEK 10,000; and
- (b) a *pro rata* portion of (i) the amount (if any) received by the Issuer under the Equity Swap Transaction referencing the Class A Attributable Warrants on the Warrant Final Redemption Date of the Class A Attributable Warrants or, if earlier, on any deemed early redemption of the Class A Attributable Warrants.

Such amount so receivable is referred to in this Prospectus as the Additional Payout Amount in respect of the Class A Notes.

Failure by the Issuer to make payment of the amount contemplated under items (a) and (b) above in full on the Scheduled Maturity Date would constitute an Early Redemption Event and the Class A Notes would redeem (as described in more detail in the section entitled "*Early Redemption in Full*" below).

A description of the Class A Attributable Warrants is set out in the section entitled "*Description of the Class Attributable Warrants – Part A*".

#### **Maturity**

The Class A Notes are scheduled to mature on 4 April 2020.

#### *Extension due to events relating to the Warrants*

The scheduled maturity of the Class A Notes may be extended to the latest date for payment of the Warrant Final Redemption Amounts under any of the Class Attributable Warrants relating to any Class of Notes (and not, for the avoidance of doubt, just the Class A Attributable Warrants relating to the Class A Notes) if, as a result of certain events contemplated under the terms of such Class Attributable Warrants, the date for payment of such Warrant Final Redemption Amounts under such Class Attributable Warrants is postponed,

unless redeemed early in whole or in part upon the occurrence of certain events as described in more detail below and elsewhere in this Prospectus.

#### *Extension due to Unsettled Credit Events*

If there are any Unsettled Credit Events under the Credit Default Swap Transactions, as described below, the Class A Notes will partially redeem on the scheduled maturity of the Class A Notes, with the possibility of a further amount payable on each Credit Event Instalment Date thereafter and with any final redemption taking place upon the final termination date under the Credit Default Swap Transaction in respect of the Class A Notes, all as described in more detail under “*Impact of the Credit Default Swap Transactions on the Class A Notes - Extension of the Credit Default Swap Transaction and redemption of the Class A Notes*” below.

#### **Aggregate Nominal Amount of Class A Notes**

Up to SEK 500,000,000 in aggregate nominal amount of the Class A Notes will be issued by the Issuer on the Issue Date.

The precise Aggregate Nominal Amount of Class A Notes to be issued will be published on the website of the Irish Stock Exchange (*www.ise.ie*) and filed with the Central Bank of Ireland in accordance with Article 8 of the Prospectus Directive, in each case, on or around the Issue Date.

#### **The Class A Attributable Warrants**

The Equity Swap Transaction in respect of the Class A Notes references the Class A Attributable Warrants.

The Class A Attributable Warrants are equity and foreign exchange linked securities, the final payout under which depends on the performance of the applicable basket of shares specified in respect of the Class A Attributable Warrants and the EUR/SEK foreign exchange rate.

The Class A Notes take the benefit, if any, of, and are exposed to the performance of, the Equity Swap Transaction referencing the Class A Attributable Warrants only.

The performance of the Class A Attributable Warrants will determine the portion of the Additional Payout Amounts, if any, payable on the Scheduled Maturity Date in respect of each Class A Note having a principal amount of SEK 10,000.

Credit Suisse International is the Swap Counterparty under the Equity Swap Transactions. Accordingly holders of any Note have exposure to the credit risk of Credit Suisse International as well as exposure to the performance of the Warrants.

A number of risks associated with the Warrants and their performance, including a description of certain factors that may affect the values of the shares referenced in such Warrants are set out in the section of this Prospectus entitled “Risk Factors” under the heading “The Warrants”. In addition, a more detailed description of the terms of the Warrants is set out under the section of this Prospectus entitled “*Description of the Class Attributable Warrants*”.

The performance of the Class A Attributable Warrants will depend on the performance of the following basket of shares:

- (a) Swisscom AG (Bloomberg Ticker: SCMN VX Equity);
- (b) Royal Dutch Shell PLC (Bloomberg Ticker: RDSA NA Equity);
- (c) Nestle SA (Bloomberg Ticker: NESN VX Equity);

- (d) Novartis AG (Bloomberg Ticker: NOVN VX Equity);
- (e) National Grid PLC (Bloomberg Ticker: NG/ LN Equity);
- (f) Total SA (Bloomberg Ticker: FP FP Equity);
- (g) BASF SE (Bloomberg Ticker: BAS GY Equity);
- (h) Zurich Insurance Group AG (Bloomberg Ticker: ZURN VX Equity);
- (i) GlaxoSmithKline PLC (Bloomberg Ticker: GSK LN Equity); and
- (j) Deutsche Telekom AG (Bloomberg Ticker: DTE GY Equity).

The amount payable on settlement of the Class A Attributable Warrants (and therefore the Equity Swap Transactions referencing the Class A Attributable Warrants) will be the aggregate of the Warrant Final Redemption Amounts payable in respect of each Class A Attributable Warrant outstanding, which is determined by reference to a formula. In summary, the formula:

(a) determines in respect of each share referenced in the basket of shares (i) the arithmetic average of the official closing level of each share on the monthly Averaging Dates (which are expected to be the 18th calendar day of each month from, and including, 18 March 2019 to, and including 18 March 2020) divided by (ii) the official closing level of such share on the Initial Setting Date in respect of the Class A Attributable Warrants (such Initial Setting Date expected to be 30 June 2014);

(b) in respect of each such share, 100% is then deducted from the result of (a) above, generating a percentage indicating the performance of such share (by reference to the closing levels thereof on each of the Averaging Dates) over the life of the Class A Attributable Warrant;

(c) the formula then determines, by reference to the performance of all the shares referenced in the basket (such performance determined as summarised in (a) and (b) above in respect of each share by reference to the Averaging Dates, and not any other dates falling during the life of the Warrants) the arithmetic average performance of all the shares referenced in the basket, generating, in effect, an average performance for the basket of shares; and

(d) the greater of zero and the result of (c) above is then multiplied by the product of (i) SEK 10,000, (ii) the Participation (in respect of the Class A Attributable Warrants, indicatively anticipated to be 125% but, in any event, not lower than 100%) and (iii) a rate determined by reference to the EUR/SEK foreign exchange rate applicable on the Business Day following the Warrant Final Valuation Date (such Warrant Final Valuation Date expected to be 18 March 2020, subject to adjustments) divided by the EUR/SEK foreign exchange rate applicable on the day preceding the Initial Setting Date (such Initial Setting Date expected to be 30 June 2014 and such EUR/SEK foreign exchange rates being determined by reference to the applicable daily fixing rate of exchange of SEK per EUR 1).

Prospective investors must note that certain adjustments and disruptions may occur in respect of the Class A Attributable Warrants as a result of the occurrence of (i) non-Scheduled Trading Days and Disrupted Days, (ii) Market Disruption Events, (iii) Potential Adjustment Events, (iv) Extraordinary Events (which include a Merger Event, Tender Offer, Nationalisation, Delisting or Insolvency), (v) a correction of a published Share Price or (vi) Jurisdictional Events in respect of a Share of a Share Issuer (each of the events set out in (i) to (vi), as defined in the Warrants Base Prospectus) and certain risks in respect of which are outlined in the section of this Prospectus entitled “*Risk Factors*”. Furthermore, the Class A Attributable Warrants may also be subject to adjustment or early redemption upon the occurrence of certain Additional Disruption Events (as described in more detail in the section of this Prospectus entitled “*Description of the Class Attributable Warrants – Part A: Class A Attributable Warrants*”) and certain risks in respect of which are outlined in the section of this Prospectus entitled “*Risk Factors*”.

## Impact of the Credit Default Swap Transactions on the Class A Notes

### *Consequence of Credit Events and Unsettled Credit Events, including partial redemption of Class A Notes*

On the Issue Date, the Issuer will enter into the Credit Default Swap Transaction relating to the Class A Notes. The Class Notional Amount in respect of that Credit Default Swap Transaction will be equal to 100% of the Outstanding Principal Amount of the Class A Notes on the Issue Date. The Class Notional Amount may be reduced from time to time as described below.

If a Credit Event in respect of which the Conditions to Settlement (as defined in the Credit Derivatives Definitions) are satisfied occurs in respect of one or more Reference Entities, the Swap Counterparty shall be entitled, but not obliged to reduce the Class Notional Amount of the Credit Default Swap Transaction in respect of the Class A Notes as at the relevant Credit Suisse Cash Settlement Date relating to such Credit Event (as determined pursuant to such Credit Default Swap Transaction and the Credit Derivatives Definitions) (where such determination is made by the Swap Counterparty, such Credit Event shall be a “**Triggered Credit Event**”). In such circumstances, the Class Notional Amount of the Credit Default Swap Transaction in respect of the Class A Notes shall be reduced by an amount in SEK equal to the Reference Entity Notional Amount of the Reference Entity relating to such Triggered Credit Event.

In such circumstances, an Outstanding Principal Amount of the Class A Notes equal to such Reference Entity Notional Amount will be partially redeemed (such redemption to take effect on the day (the “**Credit Event Instalment Date**”) falling 7 Reference Business Days after the determination of the Auction Final Price determined in respect of such Triggered Credit Event or, if the Fallback Settlement Method is applicable, the Final Price is determined in respect of such Reference Entity and the related Triggered Credit Event) by payment to the holders of the Class A Notes of their *pro rata* portion of an amount (the “**Credit Suisse Cash Settlement Amount**” in respect of the Class A Notes) equal to the product of:

- (a) the relevant Reference Entity Notional Amount;
- (b) the relevant Auction Final Price or, where the Fallback Settlement Method is applicable, the relevant Final Price determined in respect of the relevant Reference Entity; and
- (c) the Class Redemption Factor (being equal to the percentage of the Issue Price received by the Swap Counterparty on the Issue Date (expected to be between 75% and 95%)).

A partial redemption of the Class A Notes in such circumstances is a “**Credit Event Redemption Event**”.

Accordingly, the amount payable to holders of Class A Notes in such circumstances will, to a significant extent, be dependent on the Auction Final Price or Final Price, as applicable, determined in respect of the relevant obligations of the Reference Entity in respect of which a Triggered Credit Event relates and will also be reduced by the application of the Class Redemption Factor percentage. As a result, the amount payable to holders of Class A Notes in such circumstances will be significantly less than the aggregate nominal amount of the Class A Notes being redeemed and may even be zero.

As described above, the Class Redemption Factor relating to the Class A Notes reflects the fact that an amount equal to only a percentage of the Issue Price of the Class A Notes will be paid to the Swap Counterparty in relation to the Credit Default Swap Transaction on the Issue Date since the balance of the amount equal to the Issue Price not paid to the Swap Counterparty in relation to the Credit Default Swap Transaction is allocated to the funding of the initial exchange payment under the Class A Equity Swap Transaction referencing the Class A Attributable Warrants. Accordingly, the amount payable in respect of the partial redemption of the Class A Notes following the occurrence of a Triggered Credit Event will be lower than if an amount equal to 100% of the Issue Price of the Class A Notes were paid to the Swap Counterparty in connection with the Credit Default Swap Transaction on the Issue Date. This is achieved by the application of such Class Redemption Factor.

One or more Credit Events may occur in respect of each Reference Entity during the life of the Notes but only one Triggered Credit Event may occur in respect of any Reference Entity. Accordingly, a maximum number of Credit Event Redemption Events may occur prior to maturity of the Notes equal to the Number of Reference Entities (which may be adjusted as a result of Succession Events).

If the maximum number of Triggered Credit Events occur under the Credit Default Swap Transaction in respect of the Class A Notes, once each of the Credit Suisse Cash Settlement Amounts relating thereto have been paid, such Credit Default Swap Transaction will terminate and no further amounts will be payable thereunder. A termination of such Credit Default Swap Transaction in such circumstances occurring prior to the Scheduled Maturity Date would not cause the final redemption of the Class A Notes, which, save upon the occurrence of an Early Redemption Event (which includes, among other things, any Event of Default under the Notes), will remain outstanding (notwithstanding the reduction of the Aggregate Nominal Amount of the Class A Notes as a result of such Triggered Credit Events) until their Scheduled Maturity Date (as the same may be extended as a result of a postponement of the Warrant Final Redemption Date of any of the Class Attributable Warrants (not just the Class A Attributable Warrants), as provided for in the terms and conditions of the Class Attributable Warrants.

The determination of Credit Events, Event Determination Dates, Credit Suisse Cash Settlement Dates, Auction Final Prices and Final Prices shall be identical across the Credit Default Swap Transactions for all the Classes of Notes. The reductions in the Class Notional Amounts of each Credit Default Swap Transaction will however vary across the Credit Default Swap Transactions for each Class because the Class Notional Amount applicable in respect of each Credit Default Swap Transaction is linked to the Outstanding Principal Amount of the Notes of the Class to which such Credit Default Swap Transaction relates.

*Extension of the Credit Default Swap Transaction and redemption of the Class A Notes*

In certain circumstances, the termination of the Credit Default Swap Transactions (including the Credit Default Swap Transaction in respect of the Class A Notes) may extend beyond the scheduled termination date. Such occurrence may arise, in summary, where:

- (a) one or more Credit Events have occurred in respect of one or more Reference Entities on or prior to the Credit Event Observation Period End Date but in respect of which the Auction Final Price, or where the Fallback Settlement Method is applicable, the Final Price, has not been determined by such Credit Event Observation Period End Date; or
- (b) a Potential Failure to Pay (if applicable) has occurred in respect of a Reference Entity (being, in effect, an event that would, but for the application of the applicable grace period, have constituted a Failure to Pay Credit Event) on or prior to the Credit Event Observation Period End Date, but in respect of which it has not yet been determined whether or not an actual Credit Event has occurred or will occur; or
- (c) a Potential Credit Event has been determined by the calculation agent under the Credit Default Swap Transactions (being, in effect, an event which, in the sole and absolute determination of the Calculation Agent, may be a Credit Event) on or prior to the Credit Event Observation Period End Date;

(such occurrences being, as used herein, “**Unsettled Credit Events**”).

In the event that there are any Unsettled Credit Events, then it is intended that on the Reference Business Day immediately preceding the scheduled termination date of the Credit Default Swap Transaction in respect of the Class A Notes, the Swap Counterparty will pay to the Issuer under such Credit Default Swap Transaction an amount in SEK (such amount, the “**Partial Final Redemption Amount**” in respect of the Class A Notes) equal to (i) the Class Notional Amount of the Credit Default Swap Transaction relating to the Class A Notes (as the same may have been reduced as a result of previous Credit Events) *minus* (ii) the Reference Entity Notional Amounts (as determined under such Credit Default Swap Transaction) of the Reference Entities in respect of which such Unsettled Credit Events relate.



In such circumstances, the Class A Notes would be redeemed in part on the Scheduled Maturity Date by payment to holders of the Class A Notes of an amount equal to such Partial Final Redemption Amount, on a *pro rata* basis together with a *pro rata* portion of the amount (if any) received by the Issuer under the Equity Swap Transaction referencing the Class A Attributable Warrants equal to the amount payable under the Class A Attributable Warrants on the Warrant Final Redemption Date of the Class A Attributable Warrants, or, if the Class A Attributable Warrants have redeemed early in accordance with their terms, a *pro rata* portion of the aggregate amount (if any) which would have been payable in respect of such early redemption of the Class A Attributable Warrants.

Then, on the final termination date of the Credit Default Swap Transaction in respect of the Class A Notes which will occur, in such circumstances, in summary, 7 Reference Business Days after the latest date on which either:

- (a) the last Auction Final Price (as defined in the relevant confirmation in respect of the Credit Default Swap Transaction relating to the Class A Notes), or where the Fallback Settlement Method is applicable, the last Final Price (as defined in the relevant confirmation in respect of the Credit Default Swap Transaction relating to the Class A Notes) is determined in respect of the relevant Unsettled Credit Events; or
- (b) it is determined in respect of the last outstanding Unsettled Credit Event that no Credit Event has occurred during the applicable Notice Delivery Period in respect of such Unsettled Credit Event,

(such date, the “**Extended CDS Termination Date**”), it is intended that the Issuer would pay to the holders of the Class A Notes an amount in SEK equal to such amount as the Swap Counterparty would pay to the Issuer under the Credit Default Swap Transaction in respect of the Class A Notes on the Reference Business Day immediately preceding the Extended CDS Termination Date (the “**Remaining Final Redemption Amount**”) equal to, in respect of each Unsettled Credit Event(s) in respect of which it is determined following the Credit Event Observation Period End Date that no Credit Event has occurred during the applicable Notice Delivery Period, the Reference Entity Notional Amount (as determined under such Credit Default Swap Transaction) of the Reference Entity to which such Unsettled Credit Event relates.

In respect of each Unsettled Credit Event where an Auction Final Price, or, where applicable, Final Price is determined following the Credit Event Observation Period End Date, the Credit Suisse Cash Settlement Amount shall be payable in the manner described above under “*Consequence of Credit Events and Unsettled Credit Events, including partial redemption of Class A Notes*” during the period between the Scheduled Maturity Date and the Extended CDS Termination Date.

### **Early Redemption in Full**

In certain circumstances, the Class A Notes will redeem in full prior to the Maturity Date and the amount receivable by holders of the Notes of the Class A Notes will depend on:

- (a) the mark-to-market value of the Equity Swap Transaction and the Credit Default Swap Transaction relating to the Class A Notes; and
- (b) any amounts payable to certain transaction parties which will reduce the amount receivable by such holders.

### *Early Redemption Events*

The Class A Notes will redeem early, and in full, together with the Notes of each other Class, if any of the following events happen:

- (a) the Credit Default Swap Transactions are terminated (whether or not any Equity Swap Transaction is also terminated) and, where such termination arises as a result of a default by the Swap Counterparty,

no replacement Swap Counterparty is appointed within 30 calendar days of such default by the Swap Counterparty;

- (b) any of certain insolvency events occur with respect to the Swap Counterparty and no replacement Swap Counterparty is appointed within 30 calendar days thereof;
- (c) certain tax events occur in respect of payments due by the Issuer under the Notes, but not instances where (x) withholding or deduction of taxes on the Notes arises solely in respect of FATCA; (y) withholding or deduction of taxes on the Notes arises solely as a result of the Noteholder's connection with the jurisdiction of incorporation of the Issuer (otherwise than by reason of the holding of any Note or receiving any payment in respect thereof); and (z) a withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000);
- (d) it becomes unlawful for the Issuer to perform any of its obligations under the Notes, hold any Collateral (or receive payment in respect of any Collateral) or to comply with any material provision of any agreement entered into in connection with the Notes; or
- (e) an Event of Default occurs under the Notes and the security created under the Issue Deed is enforced.

#### *Payments and Deliveries following an Early Redemption Event*

Upon the occurrence of one of the events listed above, the Class A Notes of each holder thereof will be due to be redeemed by payment to such holder of a *pro rata* portion of the relevant Early Cash Redemption Amount which shall have been reduced to take account of any amount due to the Trustee, the Disposal Agent, the Custodian and any other Agent of the Issuer, including costs and expenses incurred with the sale of any Eligible Securities (in the limited circumstances where such Eligible Securities are to be sold).

Accordingly, the amount payable to holders of the Class A Notes in such circumstances may be reduced, even to zero, as a result of any such amounts due to the Trustee, the Disposal Agent, the Custodian and any other Agent of the Issuer.

#### *Early Cash Redemption Amount*

The Early Cash Redemption Amount in respect of the Class A Notes shall comprise an amount equal to:

- (a) such *pro rata* share of the market value of the Swap Agreement attributable to the Equity Swap Transaction relating to the Class A Attributable Warrants, such amount being equal to the market value of the Class A Attributable Warrants in respect of the Class A Notes as at the Early Redemption Date based on the price a market dealer would pay for such Class Attributable Warrants (as determined by the Calculation Agent in its sole and absolute discretion and acting in a commercially reasonable manner) or, if the Class A Attributable Warrants would have redeemed on or prior to the Early Redemption Date, an amount equal to the redemption proceeds thereof; *plus*
- (b) such *pro rata* share of market value of the Swap Agreement attributable to the Credit Default Swap Transaction relating to the Class A Notes as at the date of early termination of the Swap Agreement, as determined by the Calculation Agent in its sole discretion; *minus*
- (c) such Class's *pro rata* share of any amounts incurred by the Trustee, the Disposal Agent, the Custodian, the Calculation Agent and any other Agent of the Issuer as at the Early Redemption Date, including any costs and expenses incurred by any such party with the sale of Eligible Securities, comprising the Collateral.

If the Class A Notes are redeeming as a result of a termination of the Swap Agreement due to the occurrence of a default by the Swap Counterparty under the Swap Agreement, it is likely that each Class A Noteholder

(and each holder of each other Class) will rely on a *pro rata* portion of the amount, in SEK, if any, equal to the sale proceeds of any securities delivered by the Swap Counterparty pursuant to the Credit Support Annex after payment of amounts due to parties ranking above the Noteholder in order to satisfy any claim it may have in respect of the Early Cash Redemption Amount.

#### **Credit Suisse International as Disposal Agent**

As Credit Suisse International is also the Disposal Agent (unless replaced following a default by Credit Suisse International as Swap Counterparty under the Swap Agreement or where Credit Suisse International becomes insolvent, as described in more detail below) and as the Disposal Agent is intended to be responsible for liquidating any Eligible Securities delivered by the Swap Counterparty under the Credit Support Annex, where a default by Credit Suisse International as Swap Counterparty under the Swap Agreement occurs or where Credit Suisse International becomes insolvent, there is likely to be a significant delay between the occurrence of such default under the Swap Agreement or insolvency and the liquidation of such Eligible Securities delivered under the Credit Support Annex and the redemption of the Notes.

## Class B Notes Transaction Information

### Interest on the Class B Notes

No amount of interest will be payable in respect of the Class B Notes.

### Summary of amounts payable in respect of redemption of the Class B Notes on the Scheduled Maturity Date and any Extended CDS Termination Date

#### *General*

No amounts are scheduled to be paid under the Notes to investors in the Class B Notes prior to the scheduled maturity of the Class B Notes, which is expected to be on 4 April 2020, subject to (a) any postponement in the settlement of the Equity Swap Transaction referencing the Class B Attributable Warrants in accordance with its terms and (b) the existence of one or more Unsettled Credit Events relating to the Reference Entities referenced in the Credit Default Swap Transactions outstanding as at the scheduled maturity date of the Notes.

#### *Final Redemption Amounts or Partial Final Redemption Amounts and Remaining Final Redemption Amounts*

If the Class B Notes have not previously been redeemed following the occurrence of any Early Redemption Events and:

- (i) are to be redeemed in full on the Scheduled Maturity Date, the Swap Counterparty is required to pay to the Issuer the Final Redemption Amount in respect of the Class B Notes; or
- (ii) there are any Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date, the Notes will not be redeemed in full on the Scheduled Maturity Date and, instead, in redemption of the Notes, the Issuer is required to pay (x) the Partial Final Redemption Amount in respect of the Class B Notes on the Scheduled Maturity Date and (y) the Remaining Final Redemption Amount in respect of the Class B Notes on the relevant Extended CDS Termination Date.

If only a Partial Final Redemption Amount is payable on the Scheduled Maturity Date, a further amount may be payable on the Credit Event Instalment Date(s) falling after the Scheduled Maturity Date. See “*Impact of the Credit Default Swap Transactions on the Class B Notes*”, below.

The Final Redemption Amount in respect of the Class B Notes will be 100% of the Outstanding Principal Amount of the Class B Notes as at the Scheduled Maturity Date (as the same may have previously been reduced as described below).

The Partial Final Redemption Amount in respect of the Class B Notes will be (i) the Outstanding Principal Amount of the Class B Notes as at the Scheduled Maturity Date (as the same may have previously been reduced as described below) *minus* (ii) the Reference Entity Notional Amounts (as determined under the Credit Default Swap Transaction relating to the Class B Notes) of the Reference Entities in respect of which the applicable Unsettled Credit Events have been determined as at the Credit Event Observation Period End Date.

The Remaining Final Redemption Amount in respect of the Class B Notes will be 100% of the Outstanding Principal Amount of the Class B Notes as at the Extended CDS Termination Date (as the same may have been reduced as described below).

Where (i) above applies, the Final Redemption Amount or where (ii) above applies, the Partial Final Redemption Amount and the Remaining Final Redemption Amount is expected to be funded by the Swap

Counterparty paying such amounts to the Issuer pursuant to the Credit Default Swap Transaction relating to the Class B Notes.

#### *Additional Payout Amounts*

Holders of the Class B Notes may also receive, in addition to their *pro rata* portion of any Final Redemption Amount or, where applicable, Partial Final Redemption Amount and Remaining Final Redemption Amount, a further amount on the Scheduled Maturity Date, depending on the performance of the Class B Attributable Warrants. Such amount shall be such holder's *pro rata* share of the Additional Payout Amount relating to the Class B Notes. Such Additional Payout Amount will be equal to either (i) the Warrant Final Redemption Amounts (as defined in the section of the Prospectus entitled "*Description of the Class Attributable Warrants – Part B*") under the terms of the Class B Attributable Warrants (which amount is payable by the Swap Counterparty under the relevant Equity Swap Transaction) or (ii) where the Class B Attributable Warrants would have been redeemed early in accordance with their terms, the relevant redemption proceeds (which amount is payable by the Swap Counterparty under the relevant Equity Swap Transaction).

Prospective investors in Class B Notes must note that there can be no assurance that any Additional Payout Amount will be payable in respect of the Class B Notes. In such circumstances, the maximum return on investment on the Class B Notes if held to maturity will be limited to 100% of the amount invested and may be considerably lower.

#### **Intended Return on Class B Notes on the Scheduled Maturity Date**

If the Class B Notes remain outstanding until maturity, the return on the Scheduled Maturity Date on each Class B Note having a principal amount equal to SEK 10,000 is intended to be equal to the sum of:

- (a) SEK 10,000; and
- (b) a *pro rata* portion of (i) the amount (if any) received by the Issuer under the Equity Swap Transaction referencing the Class B Attributable Warrants on the Warrant Final Redemption Date of the Class B Attributable Warrants or, if earlier, on any deemed early redemption of the Class B Attributable Warrants.

Such amount so receivable is referred to in this Prospectus as the Additional Payout Amount in respect of the Class B Notes.

Failure by the Issuer to make payment of the amount contemplated under items (a) and (b) above in full on the Scheduled Maturity Date would constitute an Early Redemption Event and the Class B Notes would redeem (as described in more detail in the section entitled "*Early Redemption in Full*" below).

A description of the Class B Attributable Warrants is set out in the section entitled "*Description of the Class Attributable Warrants – Part B*".

#### **Maturity**

The Class B Notes are scheduled to mature on 4 April 2020.

#### *Extension due to events relating to the Warrants*

The scheduled maturity of the Class B Notes may be extended to the latest date for payment of the Warrant Final Redemption Amounts under any of the Class Attributable Warrants relating to any Class of Notes (and not, for the avoidance of doubt, just the Class B Attributable Warrants relating to the Class B Notes) if, as a result of certain events contemplated under the terms of such Class Attributable Warrants, the date for payment of such Warrant Final Redemption Amounts under such Class Attributable Warrants is postponed,

unless redeemed early in whole or in part upon the occurrence of certain events as described in more detail below and elsewhere in this Prospectus.

#### *Extension due to Unsettled Credit Events*

If there are any Unsettled Credit Events under the Credit Default Swap Transactions, as described below, the Class B Notes will partially redeem on the scheduled maturity of the Class B Notes, with the possibility of a further amount payable on each Credit Event Instalment Date thereafter and with any final redemption taking place upon the final termination date under the Credit Default Swap Transaction in respect of the Class B Notes, all as described in more detail under “*Impact of the Credit Default Swap Transactions on the Class B Notes - Extension of the Credit Default Swap Transaction and redemption of the Class B Notes*” below.

#### **Aggregate Nominal Amount of Class B Notes**

Up to SEK 500,000,000 in aggregate nominal amount of the Class B Notes will be issued by the Issuer on the Issue Date.

The precise Aggregate Nominal Amount of Class B Notes to be issued will be published on the website of the Irish Stock Exchange ([www.ise.ie](http://www.ise.ie)) and filed with the Central Bank of Ireland in accordance with Article 8 of the Prospectus Directive, in each case, on or around the Issue Date.

#### **The Class B Attributable Warrants**

The Equity Swap Transaction in respect of the Class B Notes references the Class B Attributable Warrants.

The Class B Attributable Warrants are equity and foreign exchange linked securities, the final payout under which depends on the performance of the applicable basket of shares specified in respect of the Class B Attributable Warrants and the USD/SEK foreign exchange rate.

The Class B Notes take the benefit, if any, of, and are exposed to the performance of, the Equity Swap Transaction referencing the Class B Attributable Warrants only.

The performance of the Class B Attributable Warrants will largely determine the portion of the Additional Payout Amounts, if any, payable on the Scheduled Maturity Date in respect of each Class B Note having a principal amount of SEK 10,000.

Credit Suisse International is the Swap Counterparty under the Equity Swap Transactions. Accordingly holders of any Note have exposure to the credit risk of Credit Suisse International as well as exposure to the performance of the Warrants.

A number of risks associated with the Warrants and their performance, including a description of certain factors that may affect the values of the shares referenced in such Warrants are set out in the section of this Prospectus entitled “*Risk Factors*” under the heading “*The Warrants*”. In addition, a more detailed description of the terms of the Warrants is set out under the section of this Prospectus entitled “*Description of the Class Attributable Warrants*”.

The performance of the Class B Attributable Warrants will depend on the performance of the following basket of shares:

- (a) Total SA (Bloomberg Ticker: FP FP Equity);
- (b) Skanska AB (Bloomberg Ticker: SKAB SS Equity);
- (c) Hennes & Mauritz AB (Bloomberg Ticker: HMB SS Equity);

- (d) Takeda Pharmaceutical Co LTD (Bloomberg Ticker: 4502 JT Equity);
- (e) Siemens AG (Bloomberg Ticker: SIE GY Equity);
- (f) Kimberly-Clark Corp (Bloomberg Ticker: KMB UN Equity);
- (g) General Mills Inc. (Bloomberg Ticker: GIS UN Equity);
- (h) Unilever NV (Bloomberg Ticker: UNA NA Equity);
- (i) McDonald's Corp (Bloomberg Ticker: MCD UN Equity); and
- (j) Nestle SA (Bloomberg Ticker: NESN VX Equity).

The amount payable on settlement of the Class B Attributable Warrants (and therefore the Equity Swap Transaction referencing the Class B Attributable Warrants) will be the aggregate of the Warrant Final Redemption Amounts payable in respect of each Class B Attributable Warrant outstanding, which is determined by reference to a formula. In summary, the formula:

- (a) determines in respect of each share referenced in the basket of shares (i) the arithmetic average of the official closing level of each share on the monthly Averaging Dates (which are expected to be the 18<sup>th</sup> calendar day of each month from, and including, 18 March 2019 to, and including 18 March 2020) *divided by* (ii) the official closing level of such share on the Initial Setting Date in respect of the Class B Attributable Warrants (such Initial Setting Date expected to be 30 June 2014);
- (b) in respect of each such share, 100% is then deducted from the result of (a) above, generating a percentage indicating the performance of such share (by reference to the closing levels thereof on each of the Averaging Dates) over the life of the Class B Attributable Warrant;
- (c) the formula then determines, by reference to the performance of all the shares referenced in the basket (such performance determined as summarised in (a) and (b) above in respect of each share by reference to the Averaging Dates, and not any other dates falling during the life of the Warrants) the arithmetic average performance of all the shares referenced in the basket, generating, in effect, an average performance for the basket of shares; and
- (d) the greater of zero and the result of (c) above is then *multiplied by* the product of (i) SEK 10,000, (ii) the Participation (in respect of the Class B Attributable Warrants, indicatively anticipated to be 100% but, in any event, not lower than 80%) and (iii) a rate determined by reference to the USD/SEK foreign exchange rate applicable on the Business Day following the Warrant Final Valuation Date (such Warrant Final Valuation Date expected to be 18 March 2020, subject to adjustments) *divided by* the USD/SEK foreign exchange rate applicable on the day preceding the Initial Setting Date (such Initial Setting Date expected to be 30 June 2014) (such USD/SEK foreign exchange rates being determined by reference to the applicable daily fixing rate of exchange of SEK per EUR 1 divided by the daily fixing rate of exchange of USD 1 per EUR 1).

Prospective investors must note that certain adjustments and disruptions may occur in respect of the Class B Attributable Warrants as a result of the occurrence of (i) non-Scheduled Trading Days and Disrupted Days, (ii) Market Disruption Events, (iii) Potential Adjustment Events, (iv) Extraordinary Events (which include a Merger Event, Tender Offer, Nationalisation, Delisting or Insolvency), (v) a correction of a published Share Price or (vi) Jurisdictional Events in respect of a Share of a Share Issuer (each of the events set out in (i) to (vi), as defined in the Warrants Base Prospectus) and certain risks in respect of which are outlined in the section of this Prospectus entitled “*Risk Factors*”. Furthermore, the Class B Attributable Warrants may also be subject to adjustment or early redemption upon the occurrence of certain Additional Disruption Events (as described in more detail in the section of this Prospectus entitled “*Description of the Class Attributable*”).

*Warrants – Part B: Class B Attributable Warrants*) and certain risks in respect of which are outlined in the section of this Prospectus entitled “*Risk Factors*”.

## **Impact of the Credit Default Swap Transactions on the Class B Notes**

### *Consequence of Credit Events and Unsettled Credit Events, including partial redemption of Class B Notes*

On the Issue Date, the Issuer will enter into the Credit Default Swap Transaction relating to the Class B Notes. The Class Notional Amount in respect of that Credit Default Swap Transaction will be equal to 100% of the Outstanding Principal Amount of the Class B Notes on the Issue Date. The Class Notional Amount may be reduced from time to time as described below.

If a Credit Event in respect of which the Conditions to Settlement (as defined in the Credit Derivatives Definitions) are satisfied occurs in respect of one or more Reference Entities, the Swap Counterparty shall be entitled, but not obliged to reduce the Class Notional Amount of the Credit Default Swap Transaction in respect of the Class B Notes as at the relevant Credit Suisse Cash Settlement Date relating to such Credit Event (as determined pursuant to such Credit Default Swap Transaction and the Credit Derivatives Definitions) (where such determination is made by the Swap Counterparty, such Credit Event shall be a “**Triggered Credit Event**”). In such circumstances, the Class Notional Amount of the Credit Default Swap Transaction in respect of the Class B Notes shall be reduced by an amount in SEK equal to the Reference Entity Notional Amount of the Reference Entity relating to such Triggered Credit Event.

In such circumstances, an Outstanding Principal Amount of the Class B Notes equal to such Reference Entity Notional Amount will be partially redeemed (such redemption to take effect on the day (the “**Credit Event Instalment Date**”) falling 7 Reference Business Days after the determination of the Auction Final Price determined in respect of such Triggered Credit Event or, if the Fallback Settlement Method is applicable, the Final Price is determined in respect of such Reference Entity and the related Triggered Credit Event) by payment to the holders of the Class B Notes of their *pro rata* portion of an amount (the “**Credit Suisse Cash Settlement Amount**” in respect of the Class B Notes) equal to the product of:

- (a) the relevant Reference Entity Notional Amount;
- (b) the relevant Auction Final Price or, where the Fallback Settlement Method is applicable, the relevant Final Price determined in respect of the relevant Reference Entity; and
- (c) the Class Redemption Factor (being equal to the percentage of the Issue Price received by the Swap Counterparty on the Issue Date (expected to be between 75% and 95%)).

A partial redemption of the Class B Notes in such circumstances is a “**Credit Event Redemption Event**”.

Accordingly, the amount payable to holders of Class B Notes in such circumstances will, to a significant extent, be dependent on the Auction Final Price or Final Price, as applicable, determined in respect of the relevant obligations of the Reference Entity in respect of which a Triggered Credit Event relates and will also be reduced by the application of the Class Redemption Factor percentage. As a result, the amount payable to holders of Class B Notes in such circumstances will be significantly less than the aggregate nominal amount of the Class B Notes being redeemed and may even be zero.

As described above, the Class Redemption Factor relating to the Class B Notes reflects the fact that an amount equal to only a percentage of the Issue Price of the Class B Notes will be paid to the Swap Counterparty in relation to the Credit Default Swap Transaction on the Issue Date since the balance of the amount equal to the Issue Price not paid to the Swap Counterparty in relation to the Credit Default Swap Transaction is allocated to the funding of the initial exchange payment under the Class B Equity Swap Transaction referencing the Class B Attributable Warrants. Accordingly, the amount payable in respect of the partial redemption of the Class B Notes following the occurrence of a Triggered Credit Event will be lower than if an amount equal to 100% of the Issue Price of the Class B Notes were paid to the Swap



Counterparty in connection with the Credit Default Swap Transaction on the Issue Date. This is achieved by the application of such Class Redemption Factor.

One or more Credit Events may occur in respect of each Reference Entity during the life of the Notes but only one Triggered Credit Event may occur in respect of any Reference Entity. Accordingly, a maximum number of Credit Event Redemption Events may occur prior to maturity of the Notes equal to the Number of Reference Entities (which may be adjusted as a result of Succession Events).

If the maximum number of Triggered Credit Events occur under the Credit Default Swap Transaction in respect of the Class B Notes, once each of the Credit Suisse Cash Settlement Amounts relating thereto have been paid, such Credit Default Swap Transaction will terminate and no further amounts will be payable thereunder. A termination of such Credit Default Swap Transaction in such circumstances occurring prior to the Scheduled Maturity Date would not cause the final redemption of the Class B Notes, which, save upon the occurrence of an Early Redemption Event (which includes, among other things, any Event of Default under the Notes), will remain outstanding (notwithstanding the reduction of the Aggregate Nominal Amount of the Class B Notes as a result of such Triggered Credit Events) until their Scheduled Maturity Date (as the same may be extended as a result of a postponement of the Warrant Final Redemption Date of any of the Class Attributable Warrants (not just the Class B Attributable Warrants), as provided for in the terms and conditions of the Class Attributable Warrants).

The determination of Credit Events, Event Determination Dates, Credit Suisse Cash Settlement Dates, Auction Final Prices and Final Prices shall be identical across the Credit Default Swap Transactions for all the Classes of Notes. The reductions in the Class Notional Amounts of each Credit Default Swap Transaction will however vary across the Credit Default Swap Transactions for each Class because the Class Notional Amount applicable in respect of each Credit Default Swap Transaction is linked to the Outstanding Principal Amount of the Notes of the Class to which such Credit Default Swap Transaction relates.

*Extension of the Credit Default Swap Transaction and redemption of the Class B Notes*

In certain circumstances, the termination of the Credit Default Swap Transactions (including the Credit Default Swap Transaction in respect of the Class B Notes) may extend beyond the scheduled termination date. Such occurrence may arise, in summary, where:

- (a) one or more Credit Events have occurred in respect of one or more Reference Entities on or prior to the Credit Event Observation Period End Date but in respect of which the Auction Final Price, or where the Fallback Settlement Method is applicable, the Final Price, has not been determined by such Credit Event Observation Period End Date; or
- (b) a Potential Failure to Pay (if applicable) has occurred in respect of a Reference Entity (being, in effect, an event that would, but for the application of the applicable grace period, have constituted a Failure to Pay Credit Event) on or prior to the Credit Event Observation Period End Date, but in respect of which it has not yet been determined whether or not an actual Credit Event has occurred or will occur; or
- (c) a Potential Credit Event has been determined by the calculation agent under the Credit Default Swap Transactions (being, in effect, an event which, in the sole and absolute determination of the Calculation Agent, may be a Credit Event) on or prior to the Credit Event Observation Period End Date;

(such occurrences being, as used herein, “**Unsettled Credit Events**”).

In the event that there are any Unsettled Credit Events, then it is intended that on the Reference Business Day immediately preceding the scheduled termination date of the Credit Default Swap Transaction in respect of the Class B Notes, the Swap Counterparty will pay to the Issuer under such Credit Default Swap Transaction an amount in SEK (such amount, the “**Partial Final Redemption Amount**” in respect of the Class B Notes) equal to (i) the Class Notional Amount of the Credit Default Swap Transaction relating to the

Class B Notes (as the same may have been reduced as a result of previous Credit Events) *minus* (ii) the Reference Entity Notional Amounts (as determined under such Credit Default Swap Transaction) of the Reference Entities in respect of which such Unsettled Credit Events relate.

In such circumstances, the Class B Notes would be redeemed in part on the Scheduled Maturity Date by payment to holders of the Class B Notes of an amount equal to such Partial Final Redemption Amount, on a *pro rata* basis together with a *pro rata* portion of the amount (if any) received by the Issuer under the Equity Swap Transaction referencing the Class B Attributable Warrants equal to the amount payable under the Class B Attributable Warrants on the Warrant Final Redemption Date of the Class B Attributable Warrants, or, if the Class B Attributable Warrants have redeemed early in accordance with their terms, a *pro rata* portion of the aggregate amount (if any) which would have been payable in respect of such early redemption of the Class B Attributable Warrants.

Then, on the final termination date of the Credit Default Swap Transaction in respect of the Class B Notes which will occur, in such circumstances, in summary, 7 Reference Business Days after the latest date on which either:

- (a) the last Auction Final Price (as defined in the relevant confirmation in respect of the Credit Default Swap Transaction relating to the Class B Notes), or where the Fallback Settlement Method is applicable, the last Final Price (as defined in the relevant confirmation in respect of the Credit Default Swap Transaction relating to the Class B Notes) is determined in respect of the relevant Unsettled Credit Events; or
- (b) it is determined in respect of the last outstanding Unsettled Credit Event that no Credit Event has occurred during the applicable Notice Delivery Period in respect of such Unsettled Credit Event,

(such date, the “**Extended CDS Termination Date**”), it is intended that the Issuer would pay to the holders of the Class B Notes an amount in SEK equal to such amount as the Swap Counterparty would pay to the Issuer under the Credit Default Swap Transaction in respect of the Class B Notes on the Reference Business Day immediately preceding the Extended CDS Termination Date (the “**Remaining Final Redemption Amount**”) equal to, in respect of each Unsettled Credit Event(s) in respect of which it is determined following the Credit Event Observation Period End Date that no Credit Event has occurred during the applicable Notice Delivery Period, the Reference Entity Notional Amount (as determined under such Credit Default Swap Transaction) of the Reference Entity to which such Unsettled Credit Event relates.

In respect of each Unsettled Credit Event where an Auction Final Price, or, where applicable, Final Price is determined following the Credit Event Observation Period End Date, the Credit Suisse Cash Settlement Amount shall be payable in the manner described above under “*Consequence of Credit Events and Unsettled Credit Events, including partial redemption of Class B Notes*” during the period between the Scheduled Maturity Date and the Extended CDS Termination Date.

### **Early Redemption in Full**

In certain circumstances, the Class B Notes will redeem in full prior to the Maturity Date and the amount receivable by holders of the Notes of the Class B Notes will depend on:

- (a) the mark-to-market value of the Equity Swap Transaction and the Credit Default Swap Transaction relating to the Class B Notes; and
- (b) any amounts payable to certain transaction parties which will reduce the amount receivable by such holders.

### *Early Redemption Events*

The Class B Notes will redeem early, and in full, together with the Notes of each other Class, if any of the following events happen:

- (a) the Credit Default Swap Transactions are terminated (whether or not any Equity Swap Transaction is also terminated) and, where such termination arises as a result of a default by the Swap Counterparty, no replacement Swap Counterparty is appointed within 30 calendar days of such default by the Swap Counterparty;
- (b) any of certain insolvency events occur with respect to the Swap Counterparty and no replacement Swap Counterparty is appointed within 30 calendar days thereof;
- (c) certain tax events occur in respect of payments due by the Issuer under the Notes, but not instances where (x) withholding or deduction of taxes on the Notes arises solely in respect of FATCA; (y) withholding or deduction of taxes on the Notes arises solely as a result of the Noteholder's connection with the jurisdiction of incorporation of the Issuer (otherwise than by reason of the holding of any Note or receiving any payment in respect thereof); and (z) a withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000);
- (d) it becomes unlawful for the Issuer to perform any of its obligations under the Notes, hold any Collateral (or receive payment in respect of any Collateral) or to comply with any material provision of any agreement entered into in connection with the Notes; or
- (e) an Event of Default occurs under the Notes and the security created under the Issue Deed is enforced.

*Payments and Deliveries following an Early Redemption Event*

Upon the occurrence of one of the events listed above, the Class B Notes of each holder thereof will be due to be redeemed by payment to such holder of a *pro rata* portion of the relevant Early Cash Redemption Amount which shall have been reduced to take account of any amount due to the Trustee, the Disposal Agent, the Custodian and any other Agent of the Issuer, including costs and expenses incurred with the sale of any Eligible Securities (in the limited circumstances where such Eligible Securities are to be sold).

Accordingly, the amount payable to holders of the Class B Notes in such circumstances may be reduced, even to zero, as a result of any such amounts due to the Trustee, the Disposal Agent, the Custodian and any other Agent of the Issuer.

*Early Cash Redemption Amount*

The Early Cash Redemption Amount in respect of the Class B Notes shall comprise an amount equal to:

- (a) such *pro rata* share of the market value of the Swap Agreement attributable to the Equity Swap Transaction relating to the Class B Attributable Warrants, such amount being equal to the market value of the Class B Attributable Warrants in respect of the Class B Notes as at the Early Redemption Date based on the price a market dealer would pay for such Class Attributable Warrants (as determined by the Calculation Agent in its sole and absolute discretion and acting in a commercially reasonable manner) or, if the Class B Attributable Warrants would have redeemed on or prior to the Early Redemption Date, an amount equal to the redemption proceeds thereof; *plus*
- (b) such *pro rata* share of market value of the Swap Agreement attributable to the Credit Default Swap Transaction relating to the Class B Notes as at the date of early termination of the Swap Agreement, as determined by the Calculation Agent in its sole discretion; *minus*
- (c) such Class's *pro rata* share of any amounts incurred by the Trustee, the Disposal Agent, the Custodian, the Calculation Agent and any other Agent of the Issuer as at the Early Redemption Date,

including any costs and expenses incurred by any such party with the sale of Eligible Securities, comprising the Collateral.

If the Class B Notes are redeeming as a result of a termination of the Swap Agreement due to the occurrence of a default by the Swap Counterparty under the Swap Agreement, it is likely that each Class B Noteholder (and each holder of each other Class) will rely on a *pro rata* portion of the amount, in SEK, if any, equal to the sale proceeds of any securities delivered by the Swap Counterparty pursuant to the Credit Support Annex after payment of amounts due to parties ranking above the Noteholder in order to satisfy any claim it may have in respect of the Early Cash Redemption Amount.

#### **Credit Suisse International as Disposal Agent**

As Credit Suisse International is also the Disposal Agent (unless replaced following a default by Credit Suisse International as Swap Counterparty under the Swap Agreement or where Credit Suisse International becomes insolvent, as described in more detail below) and as the Disposal Agent is intended to be responsible for liquidating any Eligible Securities delivered by the Swap Counterparty under the Credit Support Annex, where a default by Credit Suisse International as Swap Counterparty under the Swap Agreement occurs or where Credit Suisse International becomes insolvent, there is likely to be a significant delay between the occurrence of such default under the Swap Agreement or insolvency and the liquidation of such Eligible Securities delivered under the Credit Support Annex and the redemption of the Notes.

## QUESTIONS AND ANSWERS

*The following section answers some questions that prospective investors might have regarding the Notes, in general terms only. It does not contain all the information which may be important to prospective investors. Prospective investors should read the Issue Terms of the Notes, the Summary, the Risk Factors, the Transaction Description (including, in particular, in respect of each Class of Notes, the Relevant Transaction Information Section relating thereto) and the more detailed information that is contained elsewhere in this Prospectus and in the Base Prospectus or is incorporated by reference in such documents. In addition, prospective investors should consult with their investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.*

*The information contained in this section is subject in its entirety to the Issue Terms of the Notes.*

**What are the Notes?** The Notes are investment instruments issued by Argentum Capital S.A. acting in respect of Compartment GAP 1924 - 1925 June 2014 in the form of notes. They are credit-linked and linked to the performance of the Warrants.

The Notes are secured, limited recourse obligations of the Issuer and, although it is to be noted that to the extent each Class of Notes is linked to Warrants which are different from Warrants to which each other Class of Notes is linked, the Warrant-linked entitlement of each Note is different. The Notes are issued subject to, and will be enforced in Luxembourg, if applicable, in accordance with the provisions of the Securitisation Act 2004 (as may be amended from time to time) or any other applicable Luxembourg law.

**Structure of the Company and Compartments – Company as regulated entity under the Securitisation Act 2004** Argentum Capital S.A. (the “**Company**”) is a public limited liability company (*société anonyme*) incorporated under Luxembourg law and is established as a *société de titrisation* within the meaning of the Securitisation Act 2004 (as may be amended from time to time) which provides that claims against Argentum Capital S.A., acting in respect of Compartment GAP 1924 - 1925 June 2014 (the “**Issuer**”) by the Noteholders will be limited to the assets of the relevant Series included in the relevant Compartment in respect of the relevant Class of Notes. The rights of Noteholders and the responsibilities of the Issuer to the Noteholders under Luxembourg law may therefore be materially different from those with regard to equivalent instruments under the laws of the jurisdictions in which the Notes are offered.

Under the Securitisation Act 2004, the assets of each Compartment for each Series and the proceeds thereof are, in principle, exclusively available for distribution to the specified Noteholders and the relevant swap counterparties relating to such Series and Class of Notes. A creditor of the Company may have claims against the Company in respect of more than one Series, in which case the claims in respect of each individual Series will be limited to the Mortgaged Property relating to such Series only. Upon a liquidation of a Compartment, if the Mortgaged Property and the proceeds of enforcement and realisation thereof, as applicable, are not sufficient to make all payments and deliveries, as applicable, due in respect of the Notes, then the obligations of the Issuer in respect of the Notes of that Series will be limited to the Mortgaged Property of the Compartment in respect of that Series, as specified in the Master Conditions and this Prospectus. The Issuer will not be obliged to make any further payment or delivery, as applicable, for any Series of Notes in excess thereof. Following application of the relevant Mortgaged Property and the proceeds of

enforcement and realisation thereof, as applicable, in accordance with the Master Conditions, the claims of the relevant Noteholders and the relevant swap counterparties of the relevant Series for any shortfall shall be extinguished and the relevant Noteholders and the relevant swap counterparties (and any person acting on behalf of any of them) may not take any further action to recover such shortfall and none of them should be able to petition for the winding-up, the liquidation or the bankruptcy of the Company or any other similar insolvency related proceedings. Failure to make any payment or delivery, as applicable, in respect of any such shortfall shall in no circumstances constitute an event of default under the Master Conditions. Any shortfall shall be borne by the Noteholders and the swap counterparties of the relevant Series in respect of which the Notes have been issued according to the priorities specified in the Master Conditions as amended by this Prospectus.

**What should I read before investing?** You should carefully read and understand the parts of the Base Prospectus which are incorporated by reference in this Prospectus (see “*Documents Incorporated by Reference*” below), this Prospectus, the Credit Derivatives Definitions and the Warrants Base Prospectus prior to investing in the Notes. Any decision to invest in the Notes should be based on a consideration of each of the Base Prospectus and the Prospectus as a whole, including the documents incorporated by reference as well as the Warrants Base Prospectus and the Credit Derivatives Definitions.

The Base Prospectus contains information about the Company, the general terms and conditions of the Notes and general information about the offer and issue of the Notes.

This Prospectus contains information specific to these Notes (including their specific Issue Terms), the Equity Swap Transactions (and the related Warrants) the Credit Default Swap Transactions, the Reference Entities, the Reference Obligations, the Warrants, Credit Suisse International in connection with its role in respect of the Notes (as Swap Counterparty, Disposal Agent, Calculation Agent and Valuation Agent) together with information about how investors can purchase the Notes, product specific risk factors and other product specific information.

Investors may request copies of the Base Prospectus, the Prospectus and the documents incorporated by reference herein and therein free of charge from the Issuer and the Issuing and Paying Agent.

**Is the return on each Class of Notes expected to be the same?** No. As indicated above, a portion of the return on any Class of Notes will depend on the performance of the Equity Swap Transaction referencing the Class Attributable Warrants relating to such Class of Notes. The performance and return under such Class Attributable Warrants may vary between Classes. As a result, one or more Classes of Notes may perform better or worse than the other Classes of Notes.

The foregoing described some of the points to consider in connection with the expected return on principal in respect of the Notes of different Classes. However, as a result of the risks associated with the Notes, as explained in this section and elsewhere in this Prospectus, no assurance can be given that investors will receive any return on their investment or the extent of any potential return.

**What is the Swap Counterparty’s** The Swap Counterparty will be Credit Suisse International on the Issue Date and will continue to act as Swap Counterparty until the Maturity Date unless (i) it defaults

**role and what is their relationship to the Issuer?**

under the Swap Agreement; (ii) it becomes insolvent; (iii) the Credit Default Swap Transactions are otherwise capable of being terminated; (iv) any Equity Swap Transaction is otherwise capable of being terminated or (v) a Moody's Ba1/P-3 Downgrade occurs and, in each case, the Swap Counterparty is replaced (in respect of the Swap Agreement in its entirety or, as the case may be, in respect of the Credit Default Swap Transactions or, as the case may be, in respect of the relevant Equity Swap Transaction(s)) at the direction of Garantum Fondkommission AB (or any successor entity thereto) (as Noteholder Facilitator) in accordance with the Issue Terms of the Notes within 30 calendar days of such occurrence. There can be no assurance that any such replacement will occur. Where such replacement does not occur within 30 calendar days following any such event (but not a Moody's Ba1/P-3 Downgrade), the Swap Agreement (or, as the case may be, the Credit Default Swap Transactions or, as the case may be, the Equity Swap Transaction(s)) shall terminate and (if the Swap Agreement or the Credit Default Swap Transactions are terminated) the Notes will redeem early.

In consideration for the issue of the Notes, the Dealer will procure that the Swap Counterparty will enter into a Swap Agreement with the Issuer and Equity Swap Transactions and Credit Default Swap Transactions which will be comprised in that Swap Agreement. The Dealer will pay or arrange payment of an amount to the Swap Counterparty equal to the Issue Price of the relevant Class of Notes and under the terms of the Swap Agreement, the Swap Counterparty will pay to the Issuer any amount due to be paid on the Notes.

The return of the Equity Swap Transactions is linked to the return on the Warrants. While the terms of each Equity Swap Transaction are identical, the Warrants to which each Equity Swap Transaction is linked are not.

The Credit Default Swap Transactions are credit derivative transactions. The terms of the Credit Default Swap Transactions will be identical across all Classes save for (a) the Class Notional Amount which, in respect of each Credit Default Swap Transaction, shall be equal to the Outstanding Principal Amount of the Class of Notes relating to such Class (as the same may be reduced as a result of Credit Events and, potentially, Unsettled Credit Events), and (b) the Class Redemption Factor.

The Swap Counterparty will also enter into a Credit Support Annex with the Issuer as part of the Swap Agreement. The purpose of this is to reduce the Issuer's exposure to the Swap Counterparty.

A more detailed description of the way in which the Swap Agreement, including Equity Swap Transactions, the Credit Default Swap Transactions and the Credit Support Annex works is set out in the section of this Prospectus entitled "*Transaction Description*" and, in particular, in respect of the Equity Swap Transaction or the Credit Default Swap Transaction relating to a specific Class of Notes, the Relevant Transaction Information Section relating to such Class. In addition, certain risks associated with the Swap Agreement, including the Equity Swap Transactions, the Credit Default Swap Transactions and the Credit Support Annex are set out in the section of this Prospectus entitled "*Risk Factors*". Furthermore, the form of the confirmations in respect of the Equity Swap Transactions and the confirmation in respect of the Credit Default Swap Transactions are also set out in the sections of this Prospectus entitled "*Form of the Equity Swap Transactions*" and "*Form of the Credit Default Swap Transaction Confirmation*" respectively.

**What type of Original Collateral are the Notes secured upon and how does my investment differ from a direct investment in such Original Collateral?**

The Notes are not secured on the Warrants and therefore there is no Original Collateral. The Warrants are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts that are payable under the Equity Swap Transactions and do not represent or constitute any payment or other obligations of any person. The Warrants referenced by each Equity Swap Transaction are described in this Prospectus as:

- (a) the Class A Attributable Warrants; and
- (b) the Class B Attributable Warrants.

In part consideration for the issue of the Notes, the Dealer will procure that the Swap Counterparty will enter into the Equity Swap Transactions with the Issuer, In connection with each Equity Swap Transaction, the Swap Counterparty will receive an amount equal to the issue price of the Class Attributable Warrants relating to each Class.

The Dealer will also procure that the Swap Counterparty will enter into the Credit Default Swap Transactions with the Issuer. In connection with each Credit Default Swap Transaction, the Swap Counterparty will receive an amount equal to the Issue Price of the relevant Class of Notes *minus* the issue price of the Class Attributable Warrants relating to such Class.

By entering into the Equity Swap Transactions the Issuer will have less exposure to Credit Suisse International than would be the case if it were a holder of warrants issued by Credit Suisse International on terms equivalent to those of the Class Attributable Warrants. This is because a Credit Support Annex will be entered into between the Issuer and the Swap Counterparty under which the Swap Counterparty will be required to deliver Eligible Securities to the Issuer having a value at least equal to any exposure that the Issuer may have to the Swap Counterparty under the Swap Agreement (which includes both the Credit Default Swap Transactions and the Equity Swap Transactions), as valued on a weekly basis. The purpose of this is to reduce the exposure of the Issuer, and therefore, the Noteholders to the Swap Counterparty if, upon a termination of the Swap Agreement as a result of a default by the Swap Counterparty under the Swap Agreement or the occurrence of certain insolvency or bankruptcy events relating to the Swap Counterparty, a termination amount is payable by the Swap Counterparty to the Issuer (which would be expected to be the case in such circumstances).

The obligations (including the Reference Obligations) that will be referenced in the Credit Default Swap Transactions (which will be identical across all the Credit Default Swap Transactions) will not comprise Original Collateral and the Issuer shall have no right to require delivery of, or otherwise exercise any rights that a holder thereof may have, in respect of, any such obligations (including the Reference Obligations).

An investment in the Notes differs from an investment in the Warrants (or any



Eligible Securities delivered to, and held by, the Custodian (on behalf of the Issuer) pursuant to the Credit Support Annex).

Noteholders will have no direct right to vote, require delivery of or otherwise exercise any rights in respect of any of the Warrants or any Eligible Securities delivered to the Issuer by the Swap Counterparty under the Credit Default Swap Transactions comprising the Collateral.

**What Reference Entities are referenced in the Credit Default Swap Transaction?**

The Reference Entities referenced in the Credit Default Swap Transaction as at the Issue Date will comprise the following four Reference Entities (as described in more detail in the section of this Prospectus entitled “*Description of the Reference Entities*”):

- (a) The Goldman Sachs Group, Inc.;
- (b) The Royal Bank of Scotland plc;
- (c) Commerzbank Aktiengesellschaft; and
- (d) Société Générale.

As used in this Prospectus, The Goldman Sachs Group, Inc. is a “**US Reference Entity**”.

This list may change during the life of the Notes (including prior to the Issue Date) as a result of the occurrence of one or more Succession Events on or after the Succession Event Backstop Date.

None of the Swap Counterparty, the Issuer, the Trustee, any Agent or the Distributor has any obligation, responsibility or liability for monitoring whether a Credit Event or Credit Event Resolution Request Date has occurred in respect of any Reference Entity.

The Class Notional Amount of each Credit Default Swap Transaction that is allocated to each of the four Reference Entities shall be divided equally between such Reference Entities irrespective of the likelihood of the occurrence of a Credit Event in respect of such Reference Entities. The weighting of such allocation may vary upon the occurrence of any Succession Events in respect of the Reference Entities.

Prospective investors must note that it is possible that their investment in the Notes may be reduced to zero as a result of the occurrence of Credit Events occurring prior to the Issue Date. Prospective investors should only make an investment in the Notes if they fully understand and are prepared to accept this risk, as well as the other risks relating to the Notes.

Each of the Reference Entities (subject to the occurrence of one or more Succession Events on or after the Succession Event Backstop Date) are banks who, between them, have operations across the globe including in Europe, the United States of America, Asia and South America.

**What happens if a Credit Event occurs in respect of any of the Reference Entities under the Credit Default Swap Transaction?**

The Credit Events applicable to the Reference Entities (and the relevant obligations relating thereto) are:

- (a) Failure to Pay;
- (b) Bankruptcy; and
- (c) Restructuring (save in respect of a Reference Entity that is a US Reference Entity).

Each time a Credit Event occurs in respect of a Reference Entity referenced in the Credit Default Swap Transactions and an Event Determination Date relating thereto is determined (including, without limitation, where such Event Determination Date occurs in respect of an Unsettled Credit Event that is determined to be an Unsettled Credit Event as at the Credit Event Observation Period End Date):

- (a) the Class Notional Amount of the Credit Default Swap Transaction in respect of each Class of Notes will be reduced as at the relevant Credit Suisse Cash Settlement Date by an amount equal to the Reference Entity Notional Amount (as determined under such Credit Default Swap Transaction) of the Reference Entity to which such Credit Event relates; and
- (b) in respect of each Class of Notes, an amount will be payable by the Swap Counterparty to the Issuer on the relevant Credit Suisse Cash Settlement Date (and from the Issuer to the Noteholders of such Class on the next following Reference Business Day, on a *pro rata* basis, in partial redemption of the Notes) equal to the Credit Suisse Cash Settlement Amount (as described in the Relevant Transaction Information Section relating to such Class of Notes) and which is an amount equal to the product of (i) the relevant Reference Entity Notional Amount (as determined under such Credit Default Swap Transaction) of the Reference Entity to which such Credit Event relates, (ii) the Class Redemption Factor, and (iii) the applicable Auction Final Price (or where the Fallback Settlement Method applies, the Final Price) determined in respect of the relevant Reference Entity; and
- (c) in respect of each Class of Notes, on the Reference Business Day immediately preceding the Scheduled Maturity Date (such date, the “**Final Exchange Date I**”), the Swap Counterparty will pay to the Issuer an amount equal to the Outstanding Principal Amount of each Class of Notes on the relevant Final Exchange Date I (in each case, which may have been reduced as a result of any prior Credit Events); provided that if the termination date of the relevant Credit Default Swap Transaction has been extended beyond the applicable Final Exchange Date I to the Extended CDS Termination Date, the Swap Counterparty will pay to the Issuer an amount equal to the Outstanding Principal Amount of each Class of Notes on the relevant Final Exchange Date I (in each case, which may have been reduced as a result of any prior Credit Events) *less* an amount equal to the Reference Entity Notional Amount (as determined under the Credit Default Swap Transaction relating to such Class) of each Reference Entity in respect of which an Unsettled Credit Event is determined as at the Credit Event Observation Period End Date (such resulting amount being applied to fund the Final

Redemption Amount in respect of such Class of Notes or, to the extent that such an Unsettled Credit Event is determined, such amount being applied to partially fund the Partial Final Redemption Amount in respect of such Class of Notes); and

- (d) in respect of each Class of Notes, on the Reference Business Day immediately preceding the Extended CDS Termination Date (the “**Final Exchange Date II**”), the Swap Counterparty will pay to the Issuer an amount equal to the Outstanding Principal Amount of each Class of Notes on the relevant Final Exchange Date II (in each case, which may have been reduced as a result of any prior Credit Events) (such resulting amount being applied to partially fund the Remaining Final Redemption Amount in respect of such Class of Notes).

As indicated above, if there are any Unsettled Credit Events in respect of any Reference Entities as at the Credit Event Observation Period End Date (which will arise not just where a Credit Event has occurred but no related Event Determination Date has yet occurred but also if a Potential Credit Event has been determined in respect of a Reference Entity, as described in more detail in the section entitled “*Transaction Description*”), the termination date of the Credit Default Swap Transactions, and accordingly, the final maturity date of the Notes, will be extended to the Extended CDS Termination Date, which may be a significant amount of time following the Scheduled Maturity Date, and, during such extension period, amounts equal to each relevant Credit Suisse Cash Settlement Amount will be payable to Noteholders as described above.

The following sets out three examples of the impact of Credit Events on the Credit Default Swap Transaction relating to each Class of Notes in respect of which Event Determination Dates have occurred (referred to as Triggered Credit Events). The figures and events used for the purposes of the examples are indicative only and are not intended as a guide as to the actual or expected performance of the Notes. The performance of the Notes may be better or worse than set out in the following examples.

The examples all assume the following:

- (a) the Credit Default Swap Transactions reference four Reference Entities each having a Reference Entity Notional Amount of SEK 250,000;
- (b) the Outstanding Principal Amount of each Class of Notes (and the Class Notional Amount in respect of the related Credit Default Swap Transaction) as at the Issue Date is SEK 1,000,000;
- (c) the Class Redemption Factor for each Class of Notes is 80%;
- (d) no amounts equal to Warrant Final Redemption Amounts are payable under the Equity Swap Transaction referencing the Class A Attributable Warrants or the Equity Swap Transaction referencing the Class B Attributable Warrants; and
- (e) no Early Redemption Event (including any Event of Default) occurs in respect of the Notes and all transaction parties comply with their obligations relating to the Notes.

Based on this:

One Triggered Credit Event, and related Event Determination Date, occurs prior to the Credit Event Observation Period End Date and an Auction Final Price, expressed as a percentage, of 50% is determined in respect of the applicable Reference Entity in the manner provided for under each Credit Default Swap Transaction (which will be identical across all Credit Default Swap Transactions), then:

- (a) on the Credit Suisse Cash Settlement Date, the Class Notional Amount of the Credit Default Swap Transactions will be reduced to SEK 750,000 (as the Credit Reduction Amount (being equal to the Reference Entity Notional Amount of the relevant Reference Entity to which such Triggered Credit Event relates) is SEK 250,000);
- (b) on the Credit Suisse Cash Settlement Date, the Notes of each Class will be redeemed in an aggregate nominal amount of SEK 250,000 (as the Reference Entity Notional Amount of the relevant Reference Entity to which such Triggered Credit Event relates is SEK 250,000) and, as a result, the remaining Outstanding Principal Amount of the Notes of each Class will be SEK 750,000;
- (c) the related Credit Suisse Cash Settlement Amount to be paid to Noteholders of each Class of Notes, on a *pro rata* basis (in connection with such redemption of an aggregate nominal amount of the Notes of such Class of SEK 250,000) is in respect of each Class of Notes SEK 100,000 (being the product of (i) the relevant Reference Entity Notional Amount of SEK 250,000, (ii) the Class Redemption Factor of 80% and (iii) an Auction Final Price, expressed as a percentage, of 50%);
- (d) assuming no further Triggered Credit Events occur and there are no Unsettled Credit Events determined as at the Credit Event Observation Period End Date, the final amount payable in respect of each Class of Notes on the Scheduled Maturity Date will be SEK 750,000 (as the Class Notional Amount of the applicable Credit Default Swap Transaction is SEK 750,000).

Accordingly, based on such example, in respect of each Class of Notes, a holder of a Note having a nominal amount of SEK 10,000 as at the Issue Date would receive a total of SEK 8,500 in respect of such Note, a loss of SEK 1,500.

#### Example 2

Three Triggered Credit Events, and related Event Determination Dates, all occur prior to the Credit Event Observation Period End Date and an Auction Final Price, expressed as a percentage, of 20% is determined in respect of each such Reference Entity in the manner provided for under the Credit Default Swap Transactions (which will be identical across all Credit Default Swap Transactions), then:

- (a) on each Credit Suisse Cash Settlement Date, the Class Notional Amount of the Credit Default Swap Transactions will be reduced by SEK 250,000 (as the Credit Reduction Amount (being equal to the Reference Entity Notional Amount of the relevant Reference Entity to which each such Triggered Credit Event relates) is SEK 250,000) and, as a result, the Class Notional Amount of such Credit Default Swap Transaction as at the Scheduled Maturity Date will have been reduced by an amount equal to SEK 750,000;
- (b) on each Credit Suisse Cash Settlement Date, the Notes of each Class will be

redeemed in an aggregate nominal amount of SEK 250,000 (as the Reference Entity Notional Amount of each Reference Entity in respect of which such Triggered Credit Events relate is SEK 250,000) and, as a result, the remaining Outstanding Principal Amount of the Notes of each Class will be SEK 250,000;

- (c) the related Credit Suisse Cash Settlement Amount in respect of each Triggered Credit Event to be paid to Noteholders of each Class of Notes, on a *pro rata* basis (in connection with each redemption of an aggregate nominal amount of the Notes of such Class of SEK 250,000) is in respect of each Class of Notes SEK 40,000 (being the product of (i) the relevant Reference Entity Notional Amount of SEK 250,000, (ii) the Class Redemption Factor of 80% and (iii) an Auction Final Price, expressed as a percentage, of 20%); and
- (d) assuming no further Triggered Credit Events occur and there are no Unsettled Credit Events determined as at the Credit Event Observation Period End Date, the final amount payable in respect of each Class of Notes on the Scheduled Maturity Date will be SEK 250,000 (as the Class Notional Amount of the applicable Credit Default Swap Transaction is SEK 250,000).

Accordingly, based on such example, in respect of each Class of Notes a holder of a Note having a nominal amount of SEK 10,000 as at the Issue Date would receive a total of SEK 3,700 in respect of such Note, a loss of SEK 6,300.

### Example 3

Four Triggered Credit Events, and related Event Determination Dates, all occur prior to the Credit Event Observation Period End Date and an Auction Final Price, expressed as a percentage, of 10% is determined in respect of each such Reference Entity in the manner provided for under the Credit Default Swap Transactions (which will be identical across all Credit Default Swap Transactions), then:

- (a) on each Credit Suisse Cash Settlement Date, the Class Notional Amount of the Credit Default Swap Transactions will be reduced by SEK 250,000 (as the Credit Reduction Amount (being equal to the Reference Entity Notional Amount of the relevant Reference Entity to which each such Triggered Credit Event relates) is SEK 250,000) and, as a result, the Class Notional Amount of each Credit Default Swap Transaction will be reduced to zero prior to the Scheduled Maturity Date;
- (b) on each Credit Suisse Cash Settlement Date, the Notes will be redeemed in an aggregate nominal amount of SEK 250,000 (as the Reference Entity Notional Amount of each Reference Entity in respect of which such Triggered Credit Events relate is SEK 250,000) and, as a result, the remaining Outstanding Principal Amount of the Notes of each Class as at the Scheduled Maturity Date will be SEK1 (such SEK1 remaining outstanding until the Scheduled Maturity Date solely for the purposes of keeping the Notes of such Class outstanding in the event that any Warrant Final Redemption Amounts are payable under the Class Attributable Warrants relating to such Class, and accordingly any Additional Payout Amounts that may be payable under such Class of Notes on the Scheduled Maturity Date – notwithstanding that, for the purposes of these examples, it has been assumed that no such Warrant Final Redemption Amounts will be payable);
- (c) the related Credit Suisse Cash Settlement Amount in respect of each

Triggered Credit Event to be paid to Noteholders of each Class of Notes, on a *pro rata* basis (in connection with each such redemption of an aggregate nominal amount of the Notes of such Class of SEK 250,000) is in respect of each Class of Notes: SEK 16,000 (being the product of (i) the relevant Reference Entity Notional Amount of SEK 250,000, (ii) the Class Redemption Factor of 80% and (iii) an Auction Final Price, expressed as a percentage, of 10%); and

- (d) no amount will be payable on the Scheduled Maturity Date of the Notes of any Class.

Accordingly, based on such example, in respect of each Class of Notes, a holder of a Note having a nominal amount of SEK 10,000 as at the Issue Date would receive a total of SEK 800 in respect of such Note, a loss of SEK 9,200.

**What is the difference between the Notes and a bond issued by any Reference Entity?**

The Notes give the investor exposure to the credit risk of each Reference Entity without having to own a bond or other type of debt obligation of such Reference Entity. None of the Reference Entities themselves are a party to the Notes nor do any of the Reference Entities have a direct involvement in the Notes, and an investor will not be able to claim for any losses it suffers from a Credit Event of any of the Reference Entities. Neither the Issuer nor the Swap Counterparty is obliged to hold any obligation of any of the Reference Entities or otherwise have credit risk exposure to any of the Reference Entities. In addition to the credit risk of each of the Reference Entities to which the Notes are linked, an investor will also be exposed to credit risk in relation to the Custodian and the Swap Counterparty, so even if all of the Reference Entities are performing well, an investor may still suffer a loss as a result of these other credit risks.

**What is ISDA?**

The International Swaps and Derivatives Association, Inc. (“**ISDA**”) is a trade organisation of participants in the market for over-the-counter (“**OTC**”) derivatives. It is headquartered in New York, and is responsible for creating standardised contracts such as the ISDA Master Agreement and the 2003 ISDA Credit Derivatives Definitions (the “**Credit Derivatives Definitions**”) and a wide range of related documentation, that are used to enter into derivatives transactions. Definitions, confirmations and other documents and information published by ISDA are available on ISDA's website: <http://www2.isda.org/>. Certain publications are available free of charge while others are available to subscribers of the website only.

At the date of this Prospectus, ISDA has more than 800 members from 60 countries. These members include a broad range of OTC derivatives market participants: global, international and regional banks, asset managers, energy and commodities firms, government and supra-national entities, insurers and diversified financial institutions, corporations, law firms, exchanges, clearing houses and other service providers.

**Is it possible to change a Reference Entity?**

A Reference Entity may not be changed unless a “Succession Event” occurs with respect to such Reference Entity on or after the “Succession Event Backstop Date” (see below).

A “Succession Event” means a corporate event relating to a Reference Entity, for

example a merger, demerger, or transfer of assets or liabilities or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to an agreement.

**What is a “Successor” to a Reference Entity and how can succession affect the Notes?** If ISDA publicly announces that a Credit Derivatives Determinations Committee has resolved that a different entity or entities has or have become successor(s) to an original Reference Entity to which the Notes are linked, then such entity may be identified as a “Successor” to such original Reference Entity. The Calculation Agent under the Swap Agreement (being Credit Suisse International) may also, following a Succession Event, identify an entity or entities as a successor(s) to an original Reference Entity.

The identity of an original Reference Entity will be treated as having been amended accordingly for the purposes of the Notes so that, following the occurrence of the Succession Event, the Notes will be linked to the credit risk of the relevant Successor Reference Entity. The credit risk associated with a Successor Reference Entity or Entities may be different from and could be greater than the credit risk associated with such original Reference Entity.

A Succession Event may occur at any time from and including the “Succession Event Backstop Date”, which is a rolling date that is:

- (a) if a Credit Derivatives Determinations Committee receives a request to resolve whether or not a Succession Event has occurred, 90 calendar days prior to the date of such request (regardless of whether the Credit Derivatives Determinations Committee resolves to determine such matter or not); or
- (b) otherwise, 90 calendar days prior to the date on which notice of the occurrence of a Succession Event is delivered by the Calculation Agent under the Swap Agreement to the Issuer and the Swap Counterparty under the Swap Agreement.

**Can a Succession Event occur prior to the Issue Date?** Yes. A Succession Event with respect to any of the Reference Entities may occur prior to the Issue Date of the Notes. Noteholders should conduct their own review of any recent developments with respect to each of the Reference Entities by consulting publicly available information. If a request has been delivered to convene a Credit Derivatives Determinations Committee prior to the Issue Date to determine whether a Succession Event has occurred with respect to a Reference Entity, details of such request may be found on the ISDA website <http://dc.isda.org/>.

**Who is the Calculation Agent?** Credit Suisse International will act as Calculation Agent for the Notes and the Swap Agreement (and, by extension, each of the Credit Default Swap Transactions thereunder).

**What is the role of the Calculation Agent and the** The Calculation Agent may exercise certain discretions and make certain determinations relating to the Notes, including (but not limited to) the following: (i) determination of whether an Event Determination Date has occurred with respect to a

**Issuer in deciding certain issues related to the Notes?** Reference Entity, whether or not the Credit Derivatives Determinations Committee has considered such determination, (ii) determination of whether a Succession Event has occurred with respect to a Reference Entity, whether or not the Credit Derivatives Determinations Committee has considered such determination, and (iii) where auction settlement does not apply, the right to determine the value of the obligations selected for determination of the Final Price on the basis of bid quotations from third party dealers.

Noteholders should note that any determination and/or calculation by the Calculation Agent shall, in the absence of manifest error, be final and binding on the Trustee and Noteholders.

Where a Credit Derivatives Determinations Committee has made a determination as to whether a Credit Event Determination Date or Succession Event has occurred, the Calculation Agent may apply the same determination for the purposes of the Notes.

**In what circumstances will the Notes redeem in full prior to their stated Maturity Date?** The Notes will redeem early, and in full, if any of the following events happen:

- (a) the Credit Default Swap Transactions are terminated (whether or not any Equity Swap Transaction is also terminated) and, where such termination arises as a result of a default by the Swap Counterparty, no replacement Swap Counterparty is appointed within 30 calendar days of such default by the Swap Counterparty;
- (b) any of certain insolvency events occur with respect to the Swap Counterparty and no replacement Swap Counterparty is appointed within 30 calendar days thereof;
- (c) certain tax events occur in respect of payments due by the Issuer under the Notes, but not instances where (x) withholding or deduction of taxes on the Notes arises solely in respect of FATCA; (y) withholding or deduction of taxes on the Notes arises solely as a result of the Noteholder's connection with the jurisdiction of incorporation of the Issuer (otherwise than by reason of the holding of any Note or receiving any payment in respect thereof); and (z) a withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000);
- (d) it becomes unlawful for the Issuer to perform any of its obligations under the Notes, hold any Collateral (or receive payment in respect of any Collateral) or to comply with any material provision of any agreement entered into in connection with the Notes;
- (e) an Event of Default occurs under the Notes and the security created under the Issue Deed is enforced.

Upon the occurrence of one of the events listed above, the Notes of each Class held by a Noteholder will be due to be redeemed by payment to such holder of a *pro rata* portion of the relevant Early Cash Redemption Amount applicable to such Class (which, among other things, takes into account (i) reductions arising in respect of any amounts incurred by the Trustee, the Disposal Agent, the Custodian and any other



Agent of the Issuer, including costs and expenses incurred with the sale of any Eligible Securities (in the limited circumstances where such Eligible Securities are to be sold).

Accordingly, the amount payable to Noteholders in such circumstances in respect of the Class A Notes and/or the Class B Notes may be reduced, even to zero, as a result of any such amounts due to the Trustee, the Disposal Agent, the Custodian and any other Agent of the Issuer.

The Early Cash Redemption Amount in respect of the Class A Notes and the Class B Notes is described in more detail in the Relevant Transaction Information Section relating to such Class.

As Credit Suisse International is also the Disposal Agent (unless replaced following a default by Credit Suisse International as Swap Counterparty under the Swap Agreement or where Credit Suisse International becomes insolvent, as described in more detail below) and as the Disposal Agent is intended to be responsible for liquidating any Eligible Securities delivered by the Swap Counterparty under the Credit Support Annex, where a default by Credit Suisse International as Swap Counterparty under the Swap Agreement occurs or where Credit Suisse International becomes insolvent, there is likely to be a significant delay between the occurrence of such default under the Swap Agreement or insolvency and the liquidation of Eligible Securities delivered under the Credit Support Annex and the redemption of the Notes.

**What is the maturity of the Notes?** The Notes are scheduled to mature on 4 April 2020. However, the scheduled maturity of the Notes may be extended to the latest date for payment of the Warrant Final Redemption Amounts under any of the Warrants (which are used to determine the final amount payable under the related Equity Swap Transaction and any Additional Payout Amount under the related Class of Notes if, as a result of certain events contemplated under the terms of the Warrants, the date for payment of such Warrant Final Redemption Amounts under such Warrants is postponed.

Furthermore, the maturity of the Notes will be extended, and the amount payable on redemption of the Notes in connection with such extension will change in the event that there are any Unsettled Credit Events in respect of any of the Reference Entities under the Credit Default Swap Transaction as at the Credit Event Observation Period End Date.

The Notes may be redeemed in full or in part in certain circumstances as described above and elsewhere in this Prospectus.

**Do the Notes redeem at par on the Scheduled Maturity Date?** No. It is expected that, on the Scheduled Maturity Date, provided that no Credit Events have occurred under the Credit Default Swap Transactions and provided that there are no Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date and further save as provided below, each Note having an Outstanding Principal Amount equal to SEK 10,000 will redeem by payment of:

- (a) SEK 10,000; and
- (b) a *pro rata* portion of (i) in respect of the Class A Notes, (x) the amount (if any) actually received by the Issuer under the Equity Swap Transaction referencing the Class A Attributable Warrants with respect to the settlement date of the Class A Attributable Warrants (or any early redemption date) and/or (ii) in respect of the Class B Notes, (x) the amount (if any) actually received by the Issuer under the Equity Swap Transaction referencing the Class B Attributable Warrants with respect to the settlement date of the Class B Attributable Warrants (or any early redemption date), such amount is referred to in this Prospectus as the Additional Payout Amount in respect of the Class A Notes or the Class B Notes as applicable).

However, there can be no assurance that the Additional Payout Amount in respect of the Class A Notes will be greater than zero or that the Additional Payout Amount in respect of the Class B Notes will be greater than zero.

As a result, where no Credit Events have occurred under the Credit Default Swap Transactions and provided that there are no Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date, if such Additional Payout Amount (i) in respect of the Class A Notes is zero (because, for example, the aggregate of the Warrant Final Redemption Amounts under the Class A Attributable Warrants is zero), the only amount payable in respect of a Class A Note having an Outstanding Principal Amount as at the Maturity Date of SEK 10,000 will be a Final Redemption amount of SEK 10,000 (being the Outstanding Principal Amount) and (ii) in respect of the Class B Notes is zero (because, for example, the aggregate of the Warrant Final Redemption Amounts under the Class B Attributable Warrants is zero), the only amount payable in respect of a Class B Note having an Outstanding Principal Amount as at the Maturity Date of SEK 10,000 will be a Final Redemption amount of SEK 10,000 (being the Outstanding Principal Amount).

Furthermore, if there are any Unsettled Credit Events under the Credit Default Swap Transactions as at the Credit Event Observation Period End Date, the amounts payable in respect of the redemption of the Notes will be as described in “*What happens if a Credit Event occurs in respect of any of the Reference Entities under the Credit Default Swap Transaction?*” above.

**What determines the amount of any Additional Payout Amount payable under the Notes?**

The Warrant Final Redemption Amounts determined under each of the Class Attributable Warrants depends on the performance of the applicable basket of shares and the EUR/SEK foreign exchange rate (in respect of the Class A Attributable Warrants only) and the USD/SEK foreign exchange rate (in respect of the Class B Attributable Warrants only) specified in respect of such Warrants, and, in each case, as described in more detail in the sections of this Prospectus entitled “*Description of the Class Attributable Warrants*”, “*Transaction Description*” (and, in particular, in respect of the Class Attributable Warrants in respect of each Class of Notes, the Relevant Transaction Information Section relating the Class of Notes to which such Class Attributable Warrants relate) and “*Risk Factors*”.

*Worked Examples in respect of the Class A Notes (and the related Class A Attributable Warrants) and the Class B Notes (and the related Class B Attributable Warrants).*

The following sets out some worked examples demonstrating how the performance of (i) the basket of shares during the term of the Class Attributable Warrants may affect any Additional Payout Amount due on the Notes.

These examples are indicative only and are not predictive of actual performance of the relevant shares or the USD/SEK or EUR/SEK foreign exchange rates, as applicable, referenced in such Warrants. A number of factors will affect the performance of the Warrants as described elsewhere in this Prospectus.

#### Class A Notes

The EUR/SEK foreign exchange rate as at the day preceding the Initial Setting Date of the Class A Attributable Warrants is not known as at the date of this Prospectus. However, for the purposes of these worked examples, we have assumed that such EUR/SEK foreign exchange rate is EUR 1 to SEK 8.9 (the “**Hypothetical Initial Setting Date EUR FX Rate**”). The following worked examples apply this Hypothetical Initial Setting Date EUR FX Rate as provided below.

Assuming (a) the EUR/SEK foreign exchange rate is the same on the Business Day following the Warrant Final Valuation Date of the Class A Attributable Warrants (expected to be 18 March 2020) as at the Business Day immediately preceding the Hypothetical Initial Setting Date EUR FX Rate and (b) a Participation of 112%, if the aggregate average of the prices of the shares in the basket of shares relating to the Class A Attributable Warrants as determined on each Averaging Date falling during the term of the Class A Attributable Warrants (when compared with the aggregate of the prices of such shares as at the Initial Setting Date in respect of the Class A Attributable Warrants):

- (a) decreases, the portion of the Additional Payout Amount in respect of each Class A Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 0;
- (b) increases by 5%, the portion of the Additional Payout Amount in respect of each Class A Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 560;
- (c) increases by 10%, the portion of the Additional Payout Amount in respect of each Class A Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 1,120; and
- (d) increases by 20%, the portion of the Additional Payout Amount in respect of each Class A Note having an Outstanding Principal Amount of SEK

10,000 will be SEK 2,240.

It is likely that the EUR/SEK foreign exchange rate will fluctuate during the term of the Class A Attributable Warrants such that if, on the Business Day following the Warrant Final Valuation Date, there are fewer SEK per EUR 1 than under the Hypothetical Initial Setting Date EUR FX Rate, then the aggregate Warrant Final Redemption Amounts (and by extension the Additional Payout Amounts payable under the Class A Notes) will be lower than if such Warrant Final Redemption Amounts were determined by reference to the Hypothetical Initial Setting Date EUR FX Rate. If there are more SEK per EUR 1 on the Warrant Final Valuation Date than under the Hypothetical Initial Setting Date EUR FX Rate, the Warrant Final Redemption Amounts (and by extension the Additional Payout Amounts payable under the Class A Notes) will be higher than if such Warrant Final Redemption Amounts were determined by reference to the Hypothetical Initial Setting Date EUR FX Rate.

#### Class B Notes

The USD/SEK foreign exchange rate as at the day preceding the Initial Setting Date of the Class B Attributable Warrants is not known as at the date of this Prospectus. However, for the purposes of these worked examples, we have assumed that such USD/SEK foreign exchange rate is USD 1 to SEK 6.5 (the “**Hypothetical Initial Setting Date USD FX Rate**”). The following worked examples apply this Hypothetical Initial Setting Date USD FX Rate as provided below.

Assuming (a) the USD/SEK foreign exchange rate is the same on the Business Day following the Warrant Final Valuation Date of the Class B Attributable Warrants (expected to be 18 March 2020) as the Hypothetical Initial Setting Date USD FX Rate and (b) a Participation of 90%, if the aggregate average of the prices of the shares in the basket of shares relating to the Class B Attributable Warrants as determined on each Averaging Date falling during the term of the Class B Attributable Warrants (when compared with the aggregate of the prices of such shares as at the Initial Setting Date in respect of the Class B Attributable Warrants):

- (a) decreases, the portion of the Additional Payout Amount in respect of each Class B Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 0;
- (b) increases by 5%, the portion of the Additional Payout Amount in respect of each Class B Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 450;
- (c) increases by 10%, the portion of the Additional Payout Amount in respect of each Class B Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 900; and
- (d) increases by 20%, the portion of the Additional Payout Amount in respect

of each Class B Note having an Outstanding Principal Amount of SEK 10,000 will be SEK 1,800.

It is likely that the USD/SEK foreign exchange rate will fluctuate during the term of the Class B Attributable Warrants such that if, on the Business Day following the Warrant Final Valuation Date, there are fewer SEK per USD 1 than under the Hypothetical Initial Setting Date USD FX Rate, then the aggregate Warrant Final Redemption Amounts (and, by extension, the Additional Payout Amounts payable under the Class B Notes) will be lower than if such Warrant Final Redemption Amounts were determined by reference to the Hypothetical Initial Setting Date USD FX Rate. If there are more SEK per USD 1 on the Business Date following the Warrant Final Valuation Date than under the Hypothetical Initial Setting Date USD FX Rate, then the aggregate Warrant Final Redemption Amounts (and, by extension, the Additional Payout Amounts payable under the Class B Notes) will be higher than if such Warrant Final Redemption Amounts were determined by reference to the Hypothetical Initial Setting Date USD FX Rate.

**Are there any circumstances where payments under the Warrants may be adjusted, delayed or postponed?**

Yes. The terms of the Warrants provide for a significant number of circumstances where both the amounts payable under the Warrants and the timing of such payments may be adjusted or postponed and/or which may lead to the early redemption of the Warrants in certain circumstances.

These include, among others, as a result of:

- (a) the occurrence of certain market disruption events in respect of the stock exchanges relating to any of the shares;
- (b) the occurrence of certain Additional Disruption Events referenced in the applicable Warrants; and/or
- (c) the occurrence of merger events, tender offers, de-listing events, nationalisation or insolvency of any of the shares referenced in the applicable Warrants.

More detail on these factors is provided in the sections of this Prospectus entitled “*Risk Factors*”, “*Transaction Description*” (and, in particular, in respect of the Class Attributable Warrants in respect of each Class of Notes, the Relevant Transaction Information Section relating the Class of Notes to which such Class Attributable Warrants relate) and “*Description of the Class Attributable Warrants*”.

The factors raised here are in addition to the general credit risk you will have to Credit Suisse International in its capacity as Swap Counterparty, Disposal Agent, Calculation Agent and Valuation Agent, as described in this section and elsewhere in this Prospectus.

**Will the Notes be rated?** The Notes are not rated by any rating agency.

**Will there be a secondary market in the Notes?** Credit Suisse Securities (Europe) Limited, Credit Suisse International, Credit Suisse AG, or any of their respective agents may purchase Notes subject to all regulatory requirements and the internal policies and procedures of Credit Suisse Securities (Europe) Limited, Credit Suisse International, Credit Suisse AG or such agent (as applicable). However, no assurance is given that this will be the case and investors should be prepared to retain the Notes until their maturity.

**What will the Issuer do with the proceeds of the Notes issuance?** In consideration for the issue of the Notes, the Dealer will procure that the Swap Counterparty will enter into the Equity Swap Transactions and the Credit Default Swap Transactions with the Issuer. The Swap Counterparty will receive an amount equal to the Issue Price of the Notes.

**What tax will I have to pay and how will tax affect payments made to me?** General information relating to certain aspects of Luxembourg, Swedish and Irish taxation, to the extent applicable to you, is set out under the headings “*Luxembourg Taxation*”, “*Swedish Taxation*” and “*Irish Taxation*” in this Prospectus.

In addition, general information relating to certain aspects of United Kingdom and Swiss taxation, to the extent applicable to you, is set out under the heading “*Taxation*” in the Base Prospectus.

If withholding taxes are imposed on payments under the Notes (as described in more detail in the terms and conditions), the Issuer will not pay any additional amounts to “gross-up” such payments.

The Issuer will not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment (including any stamp or transfer tax) which may arise as a result of the ownership, transfer, exercise or enforcement of any Note by any person 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. For the avoidance of doubt, the Issuer shall not assume any responsibility for such withholding or deduction. If any such taxes apply (subject to certain exceptions including, but not limited to where withholding or deduction of taxes on the Notes arises solely in respect of FATCA), the Notes will be redeemed early as described under “*In what circumstances will my Notes redeem in full prior to their stated Maturity Date?*” in this Section above and elsewhere in this Prospectus.

Noteholders must also carefully review, and understand, the section of the Prospectus entitled “*Risk Factors - Possibility of U.S. withholding tax on payments*”.

The tax treatment of the Notes for individual Noteholders may vary significantly. The general information regarding taxation set out in this Prospectus and the Base Prospectus does not consider the implications of a holding of the Notes for individual Noteholders based upon their specific circumstances. Accordingly, you must consult

with your tax advisers (along with your legal and financial advisers) prior to making an investment in any of the Notes.

## DOCUMENTS INCORPORATED BY REFERENCE

The provisions of the Base Prospectus dated 23 December 2013, which have previously been published and have been filed with the CSSF and the Central Bank, issued by the Issuer in respect of the Programme (the “**Base Prospectus**”), but excluding the “Summary” on pages 5 to 16 of the Base Prospectus, the section entitled “Description of the Swap Counterparty” on page 143 and the section entitled “The Swap Agreement” on pages 145 to 148 of the Base Prospectus, shall be incorporated in, and form part of, this Prospectus.

The Base Prospectus is available for viewing at the following link:

[http://ise.ie/debt\\_documents/Base%20Prospectus\\_d67b15bb-04c3-4a1f-9722-8abb56c5aa38.PDF](http://ise.ie/debt_documents/Base%20Prospectus_d67b15bb-04c3-4a1f-9722-8abb56c5aa38.PDF)

The audited financial statements of the Company for the financial year ended 31 December 2013 (the “**2013 Accounts**”) are incorporated in, and form a part of this Prospectus. There has been no material adverse change in the prospects of the Company since 31 December 2013, being the date of the Company’s last audited financial statements.

The 2013 Accounts are available at the following link:

<http://www.argentumcapital.lu/pdfs/2013-12-31%20Argentum%20Financial%20Statements%20FULL%20SIGNED.pdf>

The non-incorporated parts of the documents incorporated by reference are either not relevant for prospective investors in the Notes or covered elsewhere in this Prospectus.

Following the publication of this Prospectus, a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Copies of documents incorporated by reference in this Prospectus can be obtained from the specified office of the Issuing and Paying Agent for the time being in London. In addition, such documents will be available from the registered office of the Issuer.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of the Notes, prepare a supplement to this Prospectus.



## ISSUE TERMS

### PART A – CONTRACTUAL TERMS

The Notes will be subject to the Master Conditions as set out in the Base Prospectus dated 23 December 2013 and also to the provisions set out in these issue terms (the “**Issue Terms**” which include the relevant schedule(s) attached hereto). References in such Master Conditions to the Issue Terms or Alternative Drawdown Document shall be to the provisions set out in these Issue Terms. In the case of a discrepancy or conflict with such Master Conditions, the following Issue Terms shall prevail.

#### SERIES DETAILS

1. Issuer: Argentum Capital S.A. (the “**Company**”), acting in respect of its Compartment GAP 1924 - 1925 June 2014.

2. Series Number: 2014-31

This Series comprises two classes (each, a “**Class**” or “**Class of Notes**”). The Notes of each Class will rank *pari passu* and without any preference among themselves and, save to the extent otherwise provided herein, the Notes of the other Class(es).

A separate compartment has been created by the Board in respect of the Notes (“**Compartment GAP 1924 - 1925 June 2014**”). Compartment GAP 1924 - 1925 June 2014 is a separate part of the Company’s assets and liabilities. The Collateral (relating to the Notes) is exclusively available to satisfy the rights of the Secured Creditors (in accordance with the terms and conditions set out in these Issue Terms) and the rights of the creditors whose claims have arisen at the occasion of the creation, the operation or the liquidation of Compartment GAP 1924 - 1925 June 2014, as contemplated by the Articles and subject to the order of priority set out therein.

3. Specified Currency: Swedish Krona (“**SEK**”)

4. Aggregate Nominal Amount of Notes: The Aggregate Nominal Amount of the Series as at the Issue Date is up to SEK 1,000,000,000 (the “**Initial Aggregate Nominal Amount**”).

At any time after the Issue Date, the Aggregate Nominal Amount of the Series shall be the aggregate of the Outstanding Principal Amounts of each Class as at such date.

The aggregate of the Outstanding Principal Amounts of each Class of Notes as at the Issue Date is as follows:

(a) Class A: up to SEK 500,000,000 (the “**Class A**”)

**Notes**”); and

- (b) Class B: up to SEK 500,000,000 (the “**Class B Notes**”).

The Initial Aggregate Nominal Amount of the Notes, together with the Outstanding Principal Amount of the Class A Notes and the Outstanding Principal Amount of the Class B Notes, in each case, as at the Issue Date, will be specified in the Issue Deed in respect of the Notes.

The Aggregate Nominal Amount of the Notes and, accordingly, the aggregate of the Outstanding Principal Amounts of each Class is subject to (x) increase at any time and from time to time due to the issue of any further Notes in respect of the relevant Class pursuant to Master Condition 21 and (y) decrease at any time and from time to time as a result of any purchase and cancellation of Notes pursuant to Master Conditions 8(n) and 8(o).

Furthermore:

- (a) on each Credit Event Instalment Date (which may fall after the Scheduled Maturity Date), the Outstanding Principal Amount of each Class of Notes will be reduced by an amount equal to the Reference Entity Notional Amount (as determined pursuant to the Credit Default Swap Transaction to which such Class relates) of each Reference Entity in respect of which such Credit Event Instalment Date relates; and
- (b) in the event that there are any Unsettled Credit Events (as defined in the Credit Default Swap Transactions) in respect of the Credit Default Swap Transaction relating to each Class as at the Credit Event Observation Period End Date (as defined in the Credit Default Swap Transactions), on the Scheduled Maturity Date, the Outstanding Principal Amount of the Notes of such Class will be equal to the aggregate of the Reference Entity Notional Amounts (as determined under the Credit Default Swap Transactions) of the Reference Entities in respect of which Unsettled Credit Events have been determined,

subject to, in respect of each of the Outstanding Principal Amounts of each Class of Notes, a minimum of SEK 1.

5. Issue Price:

100 per cent. of the Outstanding Principal Amount of each Class of Notes as at the Issue Date.

6. (i) Specified Denominations: SEK 10,000
- (ii) Calculation Amount SEK 10,000
7. (i) Issue Date: 11 July 2014
- (ii) Interest Commencement In respect of each Class: Not Applicable  
Date:
8. Maturity Date: The later of:
- (a) the later of (i) 4 April 2020 subject to adjustment in accordance with the Following Business Day Convention; and (ii) the day falling two Reference Business Days after the last Warrant Final Redemption Date (as defined in the section of the Prospectus entitled “*Description of the Class Attributable Warrants*” relating to such Class Attributable Warrants) to occur in respect of any of the Class Attributable Warrants (after any postponements and/or adjustments in respect thereof pursuant to the terms and conditions of the Warrants as at the Maturity Date) (the “**Scheduled Maturity Date**”); and
- (b) the Extended CDS Termination Date of the Credit Default Swap Transaction.
9. Interest Basis: In respect of each Class: Not Applicable
10. Redemption/Payment Basis: In respect of each Class:
- (a) provided that there are no Unsettled Credit Events outstanding as at the Scheduled Maturity Date, in each case under the Credit Default Swap Transaction relating to such Class, the Notes of such Class will be redeemed on the Scheduled Maturity Date, at their Final Redemption Amount as described in item 18 below; and/or
- (b) where one or more Credit Events occur under the Credit Default Swap Transaction relating to such Class, the Notes of such Class will be redeemed in part on each Credit Event Instalment Date as set out in paragraph 1 of Schedule 2 to these Issue Terms,

together, in each case, with the payment of the Additional Payout Amount (if any).

Where the Outstanding Principal Amount of the Notes of a Class would otherwise be reduced to zero as a result of Credit Events prior to the Scheduled Maturity

Date, SEK 1 of such Class of Notes shall remain outstanding so as to enable any Additional Payout Amount to be paid to the holders of such Class on the Scheduled Maturity Date.

- |     |   |   |
|-----|---|---|
| 11. | Date Board approval for issuance of Notes obtained: | The issue of the Notes has been authorised by the Board on 19 May 2014. |
| 12. | Method of distribution:                             | Non-syndicated  |

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- |     |                                |                |
|-----|--------------------------------|----------------|
| 13. | Fixed Rate Note Provisions:    | Not Applicable |
| 14. | Floating Rate Note Provisions: | Not Applicable |
| 15. | Zero Coupon Note Provisions:   | Not Applicable |
| 16. | Default Interest:              | Not Applicable |

#### MORTGAGED PROPERTY

- |     |                          |                |
|-----|--------------------------|----------------|
| 17. | Mortgaged Property:      |                |
|     | (i) Original Collateral: | Not Applicable |

For the avoidance of doubt, the Warrants described below in paragraph (ii) are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts that are payable under the Equity Swap Transactions and do not represent or constitute any payment or other obligations of any person. Consequently the Warrants are not Collateral in respect of this Series. References herein to amounts which would be payable under or in respect of any Warrants shall be construed accordingly.

The Class A Equity Swap Transaction references Warrants which are attributable to the Class A Equity Swap Transaction and which are deemed to have a nominal amount equal to the nominal amount of the Class A Notes (“**Class A Attributable Warrants**”). The Class B Equity Swap Transaction references Warrants which are attributable to the Class B Equity Swap Transaction and which are deemed to have a nominal amount equal to the nominal amount of the Class B Notes (“**Class B Attributable Warrants**”). Each of the Class A Attributable Warrants and the Class B Attributable Warrants are, in respect of the Class to which they are attributable, “**Class Attributable Warrants**”.

The Warrants (each a “Warrant” and together the “**Warrants**”) comprising the Class Attributable Warrants are hypothetical instruments which are

deemed to have been issued by (but not actually issued) by Credit Suisse International pursuant to its Warrants Base Prospectus solely for the purpose of the Equity Swap Transactions, under the terms of which:

- (a) in respect of the Class A Equity Swap Transaction, the Swap Counterparty will pay to the Issuer amounts equal to amounts that are payable under the terms of the Class A Attributable Warrants; and
- (b) in respect of the Class B Equity Swap Transaction, the Swap Counterparty will pay to the Issuer amounts equal to amounts that are payable under the terms of the Class B Attributable Warrants;.

(ii) Swap Agreement:

Applicable. A 2002 ISDA Master Agreement and Schedule thereto (in the form of the Master Swap Terms dated 23 December 2013) dated as of 11 July 2014, as supplemented by (a) a confirmation (comprising a credit default swap transaction relating to each Class of Notes (the “**Credit Default Swap Transaction**”) in respect of such Class) between the Issuer and the Swap Counterparty; (b) a confirmation comprising an equity swap transaction relating to the Class A Notes (the “**Class A Equity Swap Transaction**”) and a confirmation comprising an equity swap transaction relating to the Class B Notes (the “**Class B Equity Swap Transaction**” and together with the Class A Equity Swap Transaction, the “**Equity Swap Transactions**” and each an “**Equity Swap Transaction**”), each between the Issuer and the Swap Counterparty and (c) the Credit Support Annex (together, the “**Swap Agreement**”). The form of the confirmation evidencing each Credit Default Swap Transaction and the form of each confirmation evidencing an Equity Swap Transaction is set out in this Prospectus.

Upon the occurrence of a Swap Counterparty Event, one or more replacement Swap Agreement(s) may be entered into as provided in paragraph 5 of Schedule 2 to these Issue Terms.

(iii) Swap Counterparty:

Credit Suisse International

(iv) Credit Support Annex:

Applicable. An ISDA Credit Support Annex (Bilateral Form – Transfer) (English Law) (containing the paragraph 11 elections set out in the Master CSA Terms dated 23 December 2013) dated as of 11 July 2014 and entered into between the Issuer and the Swap Counterparty.

(v) Original Collateral Not Applicable  
Substitution:

## PROVISIONS RELATING TO REDEMPTION

18. Final Redemption Amount of each Note: Master Condition 8(a) shall be deleted in its entirety and replaced with the following:
- “**Final Redemption:** Each Note in respect of each Class of Notes will be redeemed by the Issuer on the Scheduled Maturity Date by payment of its *pro rata* portion of the Final Redemption Amount relating to such Class or, if there are Unsettled Credit Events determined under the Credit Default Swap Transaction as at the Credit Event Observation End Date, the Partial Final Redemption Amount relating to such Class, together with, in each case, such Note’s *pro rata* portion of the Additional Payout Amount relating to such Class.
- If a Class of Notes is redeemed on the Scheduled Maturity Date by payment of the Partial Final Redemption Amount relating to such Class, a further amount may be payable on each Credit Event Instalment Date (if any) falling thereafter in accordance with paragraph 1 of Schedule 2 to these Issue Terms and any Remaining Final Redemption Amount relating to such Class may be payable on the Maturity Date (being in such circumstances, the Extended CDS Termination Date).”.
19. Redemption by Instalments: The Notes may be redeemed by instalments as set out in paragraph 1 of Schedule 2 to these Issue Terms. Each Instalment Amount shall be the amount payable in accordance with such paragraph 1 of Schedule 2 and the Outstanding Principal Amount of each Class of Notes will be reduced in accordance with item 4 above, notwithstanding anything to the contrary in Master Condition 8(b) (*Redemption by Instalments*).
20. Early Cash Redemption Amount: In respect of each Class of Notes, an amount equal to:
- (A) such *pro rata* share of the Market Value of the Swap Agreement attributable to the Equity Swap Transaction relating to such Class, such amount being equal to the market value of the Class Attributable Warrants in respect of such Class as at the Early Redemption Date based on the price a market dealer would pay for such Class Attributable Warrants (as determined by the Calculation Agent in its sole and absolute discretion and acting in a commercially reasonable manner) or, if the Class Attributable Warrants would have been redeemed on or prior to the Early Redemption Date, an amount equal to the redemption

proceeds thereof; *plus*

(B) such *pro rata* share of the Market Value of the Swap Agreement attributable to the Credit Default Swap Transaction relating to such Class as at the date of early termination of such Credit Default Swap Transaction, based on the value a market dealer would apportion to such Credit Default Swap Transaction as determined by the Calculation Agent in its sole and absolute discretion and acting in a commercially reasonable manner; *minus*

(C) such Class's *pro rata* share of the sum of:

- i. any fees, costs, charges, expenses and liabilities of the Trustee under the Trust Deed (including any taxes required to be paid, legal fees and the Trustee's remuneration); and
- ii. any fees, costs, charges, expenses and liabilities then due and payable to the Agents under the Agency Agreement,

in each case, incurred up to (and including) the Early Redemption Date.

21. Early Redemption Settlement Method: Cash Settlement, subject to the provisions set out in these Issue Terms.

#### PRODUCT SUPPLEMENTS AND ADDITIONAL CONDITIONS

22. Applicable Product Supplement: Not Applicable. The additional provisions contained in Schedules 1 to 3 to these Issue Terms amend the Master Conditions.

23. Pass-through Notes: Not Applicable

#### PROVISIONS RELATING TO DISPOSAL AGENT

24. Disposal Agent: Credit Suisse International

25. Liquidation: See paragraph 2 of Schedule 2 to these Issue Terms.

26. Disposal Agent Fee: No

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. Form of Notes:

(i) Bearer or Registered:

**Registered Notes:**

Global Certificates in respect of each Class of Notes up to SEK 500,000,000 in nominal amount in respect of

the Class A Notes and up to SEK 500,000,000 in nominal amount in respect of the Class B Notes, in each case, registered in the name of a nominee for a common depository for Euroclear and exchangeable for Certificates in the limited circumstances specified in the respective Global Certificate for each Class of Notes.

(ii) The Issuer intends to permit indirect interests in the Notes to be held through the CREST Depository Interests to be issued through the CREST Depository: Not Applicable

28. Applicable TEFRA exemption: Not Applicable

29. New Global Note: No

30. Business Centre(s) / Financial Centre(s): London.

Notwithstanding anything to the contrary in the Master Conditions or these Issue Terms, the definition of Business Day shall also include a day on which the TARGET System is open for the settlement of payments in euro.

31. Reference Business Day: London, Stockholm and TARGET Settlement Day.

32. Trustee: BNY Mellon Corporate Trustee Services Limited

33. Agents:

(i) Calculation Agent: Credit Suisse International  
One Cabot Square  
London E14 4QJ

(ii) Custodian: The Bank of New York Mellon (Luxembourg) S.A.  
2-4 rue Eugène Ruppert  
Vertigo Building – Polaris  
L-2453 Luxembourg

(iii) Disposal Agent: Credit Suisse International  
One Cabot Square  
London E14 4QJ

(iv) Issuing and Paying Agent: The Bank of New York Mellon, acting through its  
London Branch  
One Canada Square  
London E14 5AL

(v) Additional Paying Agent(s): The Bank of New York Mellon (Luxembourg) S.A.  
2-4 rue Eugène Ruppert  
Vertigo Building – Polaris  
L-2453 Luxembourg



- (vi) Registrar: The Bank of New York Mellon (Luxembourg) S.A.  
2-4 rue Eugène Ruppert  
Vertigo Building – Polaris  
L-2453 Luxembourg
- (vii) Transfer Agent(s): The Bank of New York Mellon (Luxembourg) S.A.  
2-4 rue Eugène Ruppert  
Vertigo Building – Polaris  
L-2453 Luxembourg
- (viii) Listing Agent: Arthur Cox Listing Services Limited  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2  
Ireland
- (ix) Swedish Agent: Skandinaviska Enskilda Banken AB (publ)  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm  
Kingdom of Sweden

## DISTRIBUTION

34. (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager(s) (if any): Not Applicable
35. If non-syndicated, name of Dealer: Credit Suisse International
36. Non-exempt Offer: An offer of the Notes may be made by Garantum Fondkommission AB (the “**Financial Intermediary**”) other than pursuant to Article 3(2) of the Prospectus Directive in the Kingdom of Sweden (“**Public Offer Jurisdiction**”) during the period from 22 May 2014 until 23 June 2014 (“**Offer Period**”).
- See further Paragraph 6 of Part B – “Other Information” below.*
37. Fees and Commissions: An amount not exceeding 6.6 per cent. of the Aggregate Nominal Amount.
38. Additional Selling Restrictions: **Sweden**
- Each of the Issuer, Credit Suisse International as Dealer and Garantum Fondkommission AB as Distributor and any authorised offeror has represented and agreed that the Notes have not been offered or sold and will not be offered, sold or delivered directly or indirectly in the Kingdom of Sweden by way of public offering, unless in compliance with the Swedish Financial Instruments Trading Act (*Sw. lag (1991:980) om handel med finansiella instrument*), as amended

from time to time.

## PART B – OTHER INFORMATION

### 1. LISTING:

Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Irish Stock Exchange and admitted to trading on the Irish Stock Exchange's regulated market with effect from the Issue Date. Application has also been made for the Notes to be admitted to trading and listed on the regulated market of the Stockholm Stock Exchange.

### 2. RATINGS:

Ratings: The Notes will not be rated.

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

Save for the fees payable to the Dealer and the Distributor, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

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

- (i) Reasons for the offer: See the section entitled “*Use of Proceeds*” in the Base Prospectus.
- (ii) Estimated net proceeds: Up to SEK 1,000,000,000
- (iii) Estimated total expenses: EUR 3,000

### 5. OPERATIONAL INFORMATION

ISIN Code: In respect of the Class A Notes: XS1066866531

In respect of the Class B Notes: XS1066866291

Common Code: In respect of the Class A Notes: 106686653

In respect of the Class B Notes: 106686629

Clearing system(s) and any relevant identification number(s): Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. Luxembourg.

Euroclear Sweden AB of Box 191, SE-103 23, Stockholm will also act as accountholder at Euroclear.

Delivery: Delivery free of payment

Intended to be held in a manner which would allow Eurosystem eligibility: No

## 6. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	In respect of each Class of Notes, the Issue Price in respect of such Class plus a subscription fee of up to 2% of such Issue Price. Such subscription fee shall be charged by and payable to the Distributor, and, for the avoidance of doubt, shall not be payable by the Issuer or the Swap Counterparty.
Conditions to which the offer is subject:	<p>Offers of the Notes are conditional upon their issue and the early closure of the Offer Period.</p> <p>The Issuer reserves the right for any reason to close the Offer Period early.</p> <p>Any early closure of the Offer will be published on the Irish Stock Exchange's website (<a href="http://www.ise.ie">www.ise.ie</a>).</p>
Description of the application process:	<p>A prospective investor should contact the Distributor during the Offer Period. The Issuer has the right to close the Offer Period early. A prospective investor will acquire the Notes in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally and not directly with the Issuer or the Dealer.</p> <p>Persons interested in purchasing Notes should contact their financial adviser. If an investor in any jurisdiction other than Sweden wishes to purchase Notes, such investor should (a) be aware that sales in the relevant jurisdiction may not be permitted due to selling restrictions and thus that the application may be rejected by the Distributor; and (b) contact its financial adviser, bank or financial intermediary for more information.</p>
Details of the minimum and/or maximum amount of application:	The minimum amount of an application in respect of any Class of Notes is SEK 50,000. Any application in respect of any Class of Notes in excess of SEK 50,000 must be in respect of integral multiples of SEK 10,000.
Description of possibility to reduce subscriptions:	<p>The Issuer has the right to terminate the Offer Period at any time and not proceed with the issuance.</p> <p>Any early closure of the Offer will be published on the Irish Stock Exchange's website (<a href="http://www.ise.ie">www.ise.ie</a>).</p>
Details of the method and time limits for paying up and delivering the Notes:	The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys by debit of a cash account on or before the Issue Date or in accordance with the procedures specified by the Distributor. Allotted Notes will be delivered to a securities account of each Noteholder as soon as practicable after the Issue Date.

Manner in and date on which results of the offer are to be made public:	The precise Aggregate Nominal Amount of Class A Notes and the Class B Notes will be published on the website of the Irish Stock Exchange ( <a href="http://www.ise.ie">www.ise.ie</a> ) and filed with the Central Bank of Ireland in accordance with Article 8 of the Prospectus Directive in each case on or around the Issue Date.
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	Offers may be made by the Distributor in Sweden to any person.
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Following the end of the Offer Period, the Distributor will proceed to notify the prospective Noteholders as to the amount of their allotment of the Notes, if any.  Dealing may not begin before notification is made.
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Taxes charged in connection with the subscription, transfer, purchase, or holding of the Notes must be paid by the Noteholders. Neither the Issuer nor the Distributor shall have any obligation in relation thereto. In this respect, prospective investors must consult professional tax advisers to determine the tax regime applicable to their own circumstances.  <b>Subscription fees:</b> In respect of each Class: up to 2% of the Issue Price of the Notes of such Class, which will be charged by, and payable to, Garantum Fondkommission AB in its capacity as Distributor of the Notes. For the avoidance of doubt, neither the Issuer nor the Swap Counterparty shall be liable to pay any subscription fees.
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	Garantum Fondkommission AB of Norrmalmstorg 16, Stockholm, Sweden (the “ <b>Distributor</b> ”) will be the sole Distributor in Sweden.

## 7. DOCUMENTS ON DISPLAY:

For so long as any Notes remain outstanding, copies of the following documents will, when published (to the extent applicable), be available in physical form during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and from the specified offices of the Paying Agents and Registrar:

- (a) the Articles of the Company;
- (b) the Issue Deed relating to the Notes;

- (c) the Programme Deed (and the documents incorporated therein, including, *inter alia*, the Principal Trust Deed, the Agency Agreement, the Dealer Agreement, the Mandate Agreement and the Repurchase and Cancellation Agreement).
- (d) a copy of the Warrants Base Prospectus;
- (e) a copy of this Prospectus, together with any other document required or permitted to be published by the Irish Stock Exchange; and
- (f) any future supplements to this Prospectus.

The Base Prospectus has been published on the Irish Stock Exchange's website at [www.ise.ie](http://www.ise.ie). This Prospectus together with any other document required or permitted to be published by the Irish Stock Exchange and any future supplements to this Prospectus will be published on the Irish Stock Exchange's website at [www.ise.ie](http://www.ise.ie).

### **Clearing Systems**

The Notes have been accepted for clearance through Euroclear.

The address for Euroclear is 3 Boulevard du Roi Albert II, B.1210 Brussels, Belgium.

The Notes have also been accepted for clearance through Euroclear Sweden.

### **Significant or Material Change**

There has been no significant or material adverse change in the prospects of the Company since 31 December 2013, being the date of the Company's last audited financial statements.

### **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since 11 December 2013 (being the date of incorporation of the Issuer) which may have or have in such period had a significant effect on the financial position or profitability of the Company.

### **Company Chairman**

Peter Dickinson is the current chairman of the Board, and replaces Philip Godley in this position.

### **Auditors**

The approved statutory auditors (réviseurs d'entreprises agréés) of the Company, which have been appointed until the annual general meeting of shareholders to be held in 2014 by a resolution of the Board dated 17 December 2013, are PricewaterhouseCoopers, Société coopérative whose address is 400 Route d'Esch, B.P. 1443, L-1014 Luxembourg and who belong to the Luxembourg institute of auditors (Instituts des réviseurs d'entreprises). PricewaterhouseCoopers, Société cooperative, in its capacity as auditors of the Company, have no material interest in the Company.

On 2 May 2014, the Company filed with the Luxembourg Trade and Companies Register its financial statements in respect of the period ending 31 December 2013.

### **Post-Issuance Information**

The Issuer does not intend to provide any post-issuance information in relation to the Notes or Collateral.

### **Listing Agent**

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

## **8. CREDIT SUISSE:**

Credit Suisse International acts as the **Swap Counterparty** under the Swap Agreement.

The business of Credit Suisse International is banking and it is regulated as an EU credit institution by the Financial Conduct Authority of England and Wales. Credit Suisse International was incorporated in England and Wales under the Companies Act 1985, on 9 May 1990, with registered no. 2500199 and was reregistered as an unlimited company under the name “Credit Suisse Financial Products” on 6 July 1990, and was renamed Credit Suisse First Boston International on 27 March 2000 and Credit Suisse International on 16 January 2006. Credit Suisse International’s registered office and principal place of business is at One Cabot Square, London E14 4QJ, telephone number +44 (0)20 7888 8888. Credit Suisse International has securities admitted to trading on the Main Securities Market of the Irish Stock Exchange.

## SCHEDULE 1 TO THE ISSUE TERMS – ADDITIONAL DEFINITIONS

The following words and expressions shall be deemed to be inserted as additional definitions in the correct alphabetical order or, as the case may be, replace the existing definitions, in each case, in Master Condition 1(a) (*Definitions*):

“**Additional Payout Amount**” means, in respect of each Class, an amount equal to the aggregate of the Warrant Final Redemption Amounts per Warrant (as defined in and determined pursuant to the section of this Prospectus entitled “*Description of the Class Attributable Warrants*” relating to such Class Attributable Warrants) in respect of the applicable Class Attributable Warrants relating to such Class provided that in circumstances where such Class Attributable Warrants relating to such Class would be redeemed early, the Additional Payout Amount shall be an amount equal to the aggregate early redemption amount, if any, that would be received in respect of such early redemption of such Class Attributable Warrants *plus* the aggregate of the Warrant Final Redemption Amounts per Warrant in respect of any such Class Attributable Warrants that would still be outstanding (and not redeemed early).

“**Credit Event Instalment Date**” means the date falling 2 Reference Business Days immediately following each date that is a Credit Suisse Cash Settlement Date.

“**Credit Event Observation Period End Date**” means 4 April 2020.

“**Credit Suisse Cash Settlement Amount**” in respect of each Class, has the meaning given to such term in the Credit Default Swap Transaction relating to such Class.

“**Credit Suisse Cash Settlement Date**” in respect of each Class, has the meaning given to such term in the Credit Default Swap Transaction relating to such Class.

“**Early Redemption Event**” means a Liquidation Event, other than the occurrence of an Early Redemption Trigger Date owing to the occurrence of a Counterparty Bankruptcy Credit Event.

“**Eligible Securities**” means securities comprising the CSA Posted Collateral.

“**Extended CDS Termination Date**” has the meaning given to such term in the Credit Default Swap Transactions.

“**Final Redemption Amount**” means 100% of the Outstanding Principal Amount in respect of each Class of Notes, in each case, as at the Scheduled Maturity Date and as the same may have been adjusted as described in item 4 of these Issue Terms.

“**Market Value**” means, with respect to the Swap Agreement, an amount equal to the amount that would be payable by the Swap Counterparty to the Issuer or by the Issuer to the Swap Counterparty upon termination of the Swap Agreement pursuant to Section 6 thereof (ignoring for these purposes the Credit Support Annex comprised in the Swap Agreement). If such amount would be payable to the Swap Counterparty, it shall be expressed as a negative amount and if such amount would be payable to the Issuer, it shall be expressed as a positive amount.

“**Outstanding Principal Amount**” means in relation to a Note, the principal amount of such Note outstanding from time to time, determined as such in accordance with item 4 of these Issue Terms.

“**Partial Final Redemption Amount**” means, in respect of each Class of Notes, (i) the Outstanding Principal Amount of such Class, in each case, as at the Scheduled Maturity Date and as the same may have been adjusted as described in item 4 of these Issue Terms *minus* (ii) in respect of each Class, the Reference Entity Notional Amounts (as determined under the Credit Default Swap Transaction relating to such Class)



of the Reference Entities in respect of which the applicable Unsettled Credit Events have been determined as at the Credit Event Observation Period End Date, subject to a minimum of zero.

“**Reference Entity Notional Amount**” in respect of each Class of Notes and any Reference Entity (as defined in the Credit Default Swap Transactions) has the meaning given to such term in the Credit Default Swap Transaction relating to such Class, as the same may be adjusted from time to time in accordance with the provisions of such Credit Default Swap Transaction.

“**Remaining Final Redemption Amount**” means 100% of the Outstanding Principal Amount in respect of each Class of Notes, in each case as at the Extended CDS Termination Date, and as the same may have been adjusted as described in item 4 of these Issue Terms.

“**Swap Counterparty Event**” means, in accordance with the terms of the Swap Agreement, that an Event of Default (as defined in the Swap Agreement) has occurred, with respect to the Swap Counterparty.

“**Swap Termination Event**” means that an Early Termination Date in respect of the Credit Default Swap Transactions has been designated or deemed to have been designated by the Issuer or the Swap Counterparty, as applicable, under the Swap Agreement for any reason other than (i) as a result of the occurrence of a Swap Counterparty Event or (ii) as a result of the occurrence of an Early Redemption Trigger Date in respect of the Notes other than pursuant to Master Condition 8(f) (*Redemption for Termination of Swap Agreement*).

“**Trade Date**” has the meaning given to such term in the Credit Default Swap Transactions.

“**Unsettled Credit Event**” has the meaning given to such term in the Credit Default Swap Transactions.

## **SCHEDULE 2 TO THE ISSUE TERMS – AMENDMENTS TO MASTER CONDITIONS**

### **1. Credit Event Redemption**

On each Credit Event Instalment Date (which, for the avoidance of doubt, may occur before or after the Scheduled Maturity Date), the Notes of each Class shall be redeemed in part by payment by the Issuer to each holder of the Notes of such Class of their *pro rata* share of an amount equal to the Credit Suisse Cash Settlement Amount payable by the Swap Counterparty to the Issuer under the Credit Default Swap Transaction relating to such Class on the Credit Suisse Cash Settlement Date relating to such Credit Event Instalment Date.

### **2. Early Redemption**

Notwithstanding the provisions of Master Condition 13 (*Liquidation*), if an Early Redemption Event occurs, the Disposal Agent shall (in accordance with the Agency Agreement) arrange for, and administer the sale of, the Collateral (and the security created pursuant to the Trust Deed over such Collateral shall automatically be released for the purposes of permitting such sale). The Class A Notes and the Class B Notes will each be redeemed at their applicable Early Cash Redemption Amount (as defined in item 20 above) on the relevant Early Redemption Date by payment of such Early Cash Redemption Amount to the Noteholders of the relevant Class on a *pro rata* basis.

### **3. Treatment of Classes**

The Trustee shall treat all Classes as a single Series (without distinction between the Classes, save as expressly provided herein) and as indicated in these Issue Terms, the Notes of each Class rank *pari passu* without any preferences amongst themselves and the Notes of each other Class, save that in respect of the Equity Swap Transactions comprised in the Swap Agreement, each Class has recourse only to any amount attributable to the Equity Swap Transaction referencing the Class Attributable Warrants relating to such Class, and accordingly, in respect of amounts standing to the credit of the Custodian Accounts, only to amounts equal to such amounts received in respect of the applicable Equity Swap Transaction.

Notwithstanding the foregoing, and any other provision of the Issue Deed and/or the Master Conditions, to the extent that any rights relating to any Class Attributable Warrants may be exercised by a holder thereof, the Calculation Agent acting in its sole discretion shall be deemed to be entitled to exercise such rights and the holders of the Class of Notes to which such Class Attributable Warrants relate shall be entitled to direct the exercise of such rights by way of Extraordinary Resolution, at a duly convened meeting in respect of that Class, passed by the holders of such Class or a resolution in writing signed by or on behalf of the holders of not less than 75 per cent, of the Outstanding Principal Amount of the relevant Class of Notes, and the consent and/or resolutions of the holders of any other Class of Notes shall not be required in respect of the exercise of any such rights.

### **4. Redemption for Termination of Swap Agreement and Swap Counterparty Replacement Option**

For the purposes of Master Condition 8(f) (*Redemption for Termination of Swap Agreement*), the reference to Swap Counterparty Event in item (i) of the second paragraph thereof shall be deemed to refer to the occurrence of a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of all outstanding Credit Default Swap Transactions under the Swap Agreement.

#### ***Swap Counterparty Replacement Option***

Upon the occurrence of (i) a Counterparty Bankruptcy Credit Event; or (ii) an Event of Default (as defined in the Swap Agreement) with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Credit Event); or (iii) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of the Credit Default Swap Transactions (a “**CDS Termination Event**”); or (iv) a Termination Event (as defined in the Swap Agreement) where the Issuer has the right to designate an Early Termination Date in respect of any Equity Swap Transaction (an “**Equity Swap Termination Event**”); or (v) the long term senior, unsecured rating assigned by Moody’s Investors Service Limited (“**Moody’s**”) to the Swap Counterparty being withdrawn or is less than Ba1 or if the short term rating assigned by Moody’s to the Swap Counterparty is less than P-3 (any such downgrade or withdrawal, a “**Moody’s Ba1/P-3 Downgrade**” and such event, along with each of a Counterparty Bankruptcy Credit Event, an Event of Default with respect to the Swap Counterparty (other than a Counterparty Bankruptcy Event), a CDS Termination Event and an Equity Swap Termination Event, a “**Replacement Event**”), the Issuer shall not designate an Early Termination Event and shall notify the Noteholder Facilitator as soon as reasonably practicable upon becoming aware of any such occurrence. Upon receipt by the Issuer of written directions (such notice to be copied to the Trustee) (a “**Replacement Swap Counterparty Notice**”) from Garantum Fondkommission AB (or any successor thereto) (in such capacity, the “**Noteholder Facilitator**”) requesting the Issuer to enter into a replacement Swap Agreement in respect of all Credit Default Swap Transactions and all Equity Swap Transactions or (in the case of a CDS Termination Event only) in respect of the Credit Default Swap Transactions and/or (in the case of an Equity Swap Termination Event) in respect of the relevant Equity Swap Transaction(s) (the “**Replacement Swap Agreement**”) with a replacement Swap Counterparty (the “**Replacement Swap Counterparty**”) designated by the Noteholder Facilitator (and, provided that, in the case of a Replacement Event that is a Moody’s Ba1/P-3 Downgrade, the Swap Counterparty has provided its prior written consent to such replacement) the Issuer shall use reasonable efforts to enter into such Replacement Swap Agreement with such Replacement Swap Counterparty; provided that (A) such Replacement Counterparty is a reputable financial institution with a place of business in London which enters into derivative transactions as part of its ongoing business activities and which has, as a minimum, a long term senior, unsecured rating of Ba1 and/or a short term rating of P-3 (or their equivalent ratings, in each case, as assigned by Moody’s) as of the date the Replacement Swap Agreement is entered into, (B), the Replacement Swap Counterparty must be satisfactory to the Trustee and the Issuer, (C) the price that the Replacement Swap Counterparty is willing to pay to, or receive from the existing Swap Counterparty (the “**Existing Swap Counterparty**”) is reasonably satisfactory to the Existing Swap Counterparty, and (D) where such Replacement Swap Counterparty Notice relates to a Replacement Event other than a Moody’s Ba1/P-3, such Replacement Swap Agreement is entered into within 30 calendar days of the occurrence of the Replacement Event (and provided such Replacement Event is still continuing at such time) (such period, the “**Replacement Period**”).

If the relevant Replacement Swap Agreement is not entered into following a Replacement Event other than a Moody’s Ba1/P-3 Downgrade within the Replacement Period (including where, in such circumstances, no Replacement Swap Counterparty Notice is delivered by the Noteholder Facilitator), the Swap Agreement shall automatically terminate or, in the case of a Termination Event (as defined in the Swap Agreement) the relevant Credit Default Swap Transaction and/or Equity Swap Transaction(s) may be terminated in accordance with the terms of the Swap Agreement and, if a Swap Termination Event has occurred and no Early Redemption Trigger Date or Early Redemption Event has occurred pursuant to any other applicable Condition, the Issuer shall, as soon as is practicable (or, in any case, within two Reference Business Days after the end of the Replacement Period), give an Early Redemption Notice to the Noteholders (the date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”).

Following the delivery of such Early Redemption Notice, each Note shall become due and payable on the related Early Redemption Date. In connection with such redemption of each Note on the Early Redemption Date, the Disposal Agent shall (in accordance with the Agency Agreement) arrange for, and administer the sale of any Eligible Securities delivered by the Swap Counterparty to

the Issuer under the Credit Support Annex (and the security created pursuant to the Trust Deed over such Eligible Securities (if any) shall automatically be released for purposes of permitting such sale). The Class A Notes and the Class B Notes will be redeemed at their applicable Early Cash Redemption Amount (as defined in item 20 of these Issue Terms) on the relevant Early Redemption Date by payment of such Early Cash Redemption Amount to the Noteholders of such Class on a *pro rata* basis.

Any Replacement Swap Agreement shall be entered into on identical terms as the Swap Agreement (including the relevant Credit Default Swap Transactions and/or Equity Swap Transaction(s) and Credit Support Annex thereunder), save for such terms as the Issuer and the Replacement Swap Counterparty, acting in good faith, determine are necessary to reflect the replacement of the Existing Swap Counterparty with the Replacement Swap Counterparty. If, as a result of any such replacement there is more than one Swap Agreement and more than Swap Counterparty, the Conditions and any other Transaction Document may be amended in such manner as the Issuer, the Trustee and each relevant Transaction Party considers in good faith necessary in order to effect the same, subject to the terms of the Principal Trust Deed.

On the entry into of the Replacement Swap Agreement, the Swap Agreement with the Existing Swap Counterparty shall to the extent of the relevant replacement terminate immediately and:

- (i) the amount (if any) due to the Existing Swap Counterparty from the Issuer upon termination of the Swap Agreement (as funded out of the amount paid to it by the Replacement Swap Counterparty) shall be reduced (or, as the case may be, the amount due from the Existing Swap Counterparty to the Issuer shall be increased) by an amount equal to any fees, costs and/or expenses incurred by the Issuer and/or the Trustee in relation to the appointment of the Replacement Swap Counterparty and any Replacement Agents appointed pursuant to paragraph 5 of this Schedule 2 to these Issue Terms below (the “**Replacement Costs**”) and the Existing Swap Counterparty shall have no further claims against the Issuer or any other party in respect of such amounts; and
- (ii) the amount (if any) due to the Issuer from the Replacement Swap Counterparty upon the entry into of the Replacement Swap Agreement shall be increased (or, as the case may be, the amount due from the Issuer to the Replacement Swap Counterparty shall be reduced) by an amount equal to any Replacement Costs.

The Replacement Swap Counterparty shall be the Valuation Agent in respect of the credit support annex entered into in respect of the Replacement Swap Agreement.

Following the entry into of a Replacement Swap Agreement, all references to the Replacement Swap Counterparty shall be deemed to be the Swap Counterparty for the purposes of these Issue Terms and any other documentation relating to the Notes (subject as provided above in any case where there is more than one Swap Agreement and more than one Swap Counterparty). Accordingly, more than one Replacement Event may occur.

For the avoidance of doubt, and notwithstanding any other provisions of the Issue Deed, Principal Trust Deed or any other document relating to the Notes, the consent of the Noteholders will not be sought or be required in connection with a Replacement Event in accordance with the foregoing nor for any amendments to the Master Conditions or these Issue Terms and any other documentation relating to the Notes that the Noteholder Facilitator certifies in writing to the Trustee are consequential to and necessary in connection with the entry into of such Replacement Swap Agreement (upon which certificate the Trustee shall be entitled to rely on absolutely without incurring any liability to any person for so doing (even though such certificate may later be found to have been invalidly given)). None of the Issuer, the Trustee, the Swap Counterparty, the Noteholder Facilitator, the Calculation Agent, the Disposal Agent, the Custodian, the Paying Agents, the Registrar, the Transfer Agent, the Dealer, the Arranger or any other person connected to the Notes shall be liable to any Noteholder or any other person in connection with any Replacement Event

and/or any entry into of a Replacement Swap Agreement or in respect of any amendments to the Master Conditions or these Issue Terms and any other documentation relating to the Notes which the Noteholder Facilitator has certified in writing to the Trustee are consequential and necessary in connection with the entry into of such Replacement Swap Agreement and shall have no responsibility to any Noteholder or any other person in respect of any of the consequences resulting from a Replacement Event and/or any entry into of a Replacement Swap Agreement.

5. **Agent Replacement Option**

Concurrently with the appointment of any Replacement Swap Counterparty and entry into of a Replacement Swap Agreement pursuant to paragraph 4 of this Schedule 2 to these Issue Terms above, but only where the Swap Agreement with the Existing Swap Counterparty has been terminated in full, the Issuer undertakes, upon receipt of written directions from the Noteholder Facilitator requesting the Issuer to replace the existing Calculation Agent and/or Disposal Agent (a “**Replacement Agent Notice**”), to use reasonable efforts to appoint a replacement calculation agent (the “**Replacement Calculation Agent**”) and replacement disposal agent (the “**Replacement Disposal Agent**”, and together with the Replacement Calculation Agent, the “**Replacement Agents**”) designated by the Noteholder Facilitator, provided that (i) in the case of a Replacement Calculation Agent, is a reputable financial institution with a place of business in London which provides calculation agency services as part of its ongoing business activities and (ii) in the case of a Replacement Disposal Agent, is a reputable financial institution with a place of business in London which customarily sells securities in the market as part of its ongoing business activities, and in each case, are satisfactory to the Issuer, the Trustee and the Replacement Swap Counterparty. Upon receipt of such Replacement Agent Notice, the Issuer shall make reasonable efforts to effect such replacement on, or as soon as practicable following, the entry into of the Replacement Swap Agreement. The costs of appointment of the Replacement Agents shall be borne by the Replacement Swap Counterparty.

Following the appointment of any Replacement Agent, all references to the Replacement Agent shall be deemed to be the Calculation Agent and/or Disposal Agent, as applicable, for the purposes of these Issue Terms and any other documentation relating to the Notes. Accordingly, the Calculation Agent and/or Disposal Agent may be replaced more than once.

For the avoidance of doubt, and notwithstanding Master Condition 11 or any other provisions of the Issue Deed, Principal Trust Deed or any other document relating to the Notes, the consent of the Noteholders will not be sought or be required in connection with the appointment of any Replacement Agents in accordance with the foregoing nor for any amendments to the Master Conditions or these Issue Terms and any other documentation relating to the Notes that the Noteholder Facilitator certifies in writing to the Trustee are consequential to and necessary in connection with the appointment of such Replacement Agents upon which certificate the Trustee shall be entitled to rely absolutely without incurring any liability to any person for so doing (even though such certificate may later be found to have been invalidly given). None of the Issuer, the Trustee, the Swap Counterparty, the Noteholder Facilitator, the Calculation Agent, the Disposal Agent, the Custodian, the Paying Agents, the Registrar, the Transfer Agent, the Dealer, the Arranger or any other person connected to the Notes shall be liable to any Noteholder or any other person in connection with the appointment of any Replacement Agent or in connection with any amendment which may be made to the Master Conditions insofar as the proposed amendments relate to this Series only or these Issue Terms and any other documentation relating to the Notes which the Noteholder Facilitator has certified in writing to the Trustee are consequential to and necessary in connection with the entry into of the Replacement Swap Agreement in accordance with the foregoing and shall have no responsibility to any Noteholder or any other person in respect of any of the consequences resulting from any such appointment of a Replacement Agent.

6. **Amendment to Master Condition 15 (*Application of available proceeds*)**

- 6.1 The word “owning” in the eighth line of Master Condition 15(a) (*Application of Available Proceeds of Liquidation*) and in the eleventh line of Master Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*) shall be deleted and replaced with the word “owing”. For these purposes (and without prejudice to any other reference to amounts owing to the Swap Counterparty pursuant to Master Condition 15(a) (*Application of Available Proceeds of Liquidation*) and Master Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*)), the only amount owing to the Swap Counterparty shall be determined as being equal to:
- the lesser of:
- (A) the Available Proceeds attributable to the Swap Counterparty’s Credit Support Balance; and
  - (B) an amount equal to (1) the Available Proceeds attributable to the Swap Counterparty’s Credit Support Balance *minus* (2) the Early Termination Amount (whether positive or negative) with respect to the Swap Agreement. For these purposes, the Early Termination Amount shall be determined by reference to the Swap Transaction only, and if it would be payable to the Swap Counterparty it shall be determined as a negative number, or if it would be payable by the Swap Counterparty it shall be determined as a positive number.
- 6.2 The second full paragraph of Master Condition 15(a) (*Application of Available Proceeds of Liquidation*) shall be deleted in its entirety.
- 6.3 Words and expressions used in this paragraph 6 but not otherwise defined herein shall have the meanings given to them in the Swap Agreement.

## SCHEDULE 3 TO THE ISSUE TERMS – PROVISIONS RELATING TO EUROCLEAR SWEDEN

### 1. General

For so long as the Notes are represented by a Global Certificate and are shown in the records of Euroclear as being held by the Swedish CSD the provisions of this Schedule will apply.

#### 1.1 Form of Swedish Notes

The Global Certificate issued in respect of the Notes will be deposited upon issuance with and registered in the name of a nominee for Euroclear. The Notes will be shown in the records of Euroclear as being held by a Swedish central securities depository (the “**Swedish CSD**”) which will be Euroclear Sweden AB (“**Euroclear Sweden**”) or any successor acceptable to or substitute appointed by the Issuer. The Swedish CSD will hold all interests in the Notes for the sole purpose of enabling clearing and settlement of interests therein in uncertificated and dematerialised book-entry form in the records maintained by the Swedish CSD in accordance with the CSD Rules for the benefit of the ultimate beneficial owners.

Beneficial interests in the Swedish CSD's interest in the Notes will be shown in the records of the Swedish CSD pursuant to an affiliation agreement dated prior to the Issue Date entered into between the Issuer and the Swedish CSD. No owner of such a beneficial interest is entitled to transfer (and the Swedish CSD will not allow any such transfer) such interest directly to the records of Euroclear and thereby removing the relevant Notes from the records of the Swedish CSD.

The holders of the Notes expressly accept and acknowledge that the Swedish CSD will only distribute payments for the Notes that the Swedish CSD has received from Euroclear in respect of the Notes.

#### 1.2 Euroclear Sweden

Euroclear Sweden is a subsidiary within the Euroclear group of companies. Euroclear Sweden is a limited liability company. It is authorised and regulated by the Swedish Financial Supervisory Authority as a central securities depository within the meaning of the Swedish Financial Instruments Accounts Act (1998:1479 (as amended)) and as a clearing organisation within the meaning of the Swedish Notes Markets Act (2007:518 (as amended)). All transactions relating to the beneficial interests in the Swedish CSD's interest in the Notes (such as issuance, sale and transfer, pledge arrangements and other dispositions and redemptions) are executed as computerised book-entry registrations. Consequently, in order to effect such entries beneficial owners must establish a book-entry account through a credit institution or a securities firm acting as an account operator with the Swedish CSD (currently Euroclear Sweden). More information regarding Euroclear Sweden and its rules and operating procedures can be found at its internet web site at [www.euroclear.eu](http://www.euroclear.eu).

#### 1.3 Swedish Agent

In addition, the Issuer has appointed or will appoint Skandinaviska Enskilda Banken AB (publ) as “**Swedish Agent**” in relation to the Notes pursuant to an issuing and paying agency agreement dated 16 April 2014 (the “**Swedish Agency Agreement**”).

## 2. Amendments to the Master Conditions

The following provisions shall supplement and amend the Master Conditions and the provisions of the Global Certificate:

### 2.1 Beneficial interests and transfer

The beneficial interests in the Swedish CSD's interest in the Notes will be held in Swedish uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*) and all such other Swedish laws, regulations and operating procedures applicable to and/or issued by the Swedish CSD (the “**CSD Rules**”). No owner of such a beneficial interest is entitled to transfer (and the Swedish CSD will not allow any such transfer) such interest directly to the records of Euroclear and thereby removing the relevant Notes from the records of the Swedish CSD.

Such beneficial interests will be transferable only in accordance with the CSD Rules. Title to such beneficial interests shall pass in the records maintained by the Swedish CSD in accordance with the CSD Rules.

The Issuer shall be entitled to obtain information from the register of the Swedish CSD in accordance with the CSD Rules.

### 2.2 Amendments while in global form

For the purpose of ascertaining the validity of a beneficial holding by a person on whose behalf the Swedish CSD is holding an interest in the Notes, the records of the Swedish CSD (in which regard, any electronic record, record statement, certificate or other information issued by the Swedish CSD as to the beneficial holding or the holding of any person duly authorised to act as a nominee (*Sw. förvaltare*)) shall be conclusive and final for all purposes and shall constitute commercially reasonable evidence, save in the case of manifest error.

### 2.3 Payments

Each holder of beneficial interests in the Swedish CSD's interest in the Notes must look solely to the Swedish CSD for its share of the payments so made by the Issuer. The Swedish CSD does not assume the obligations of the Issuer and is only obliged to distribute payments it has received in its capacity of Swedish CSD in respect of the Notes. It is expected that payments in respect of the Notes will be received by holders of the beneficial interests in the Swedish CSD's interest in the Notes holding such interests at an account with the Swedish CSD no later than the seventh business day (as defined by the then applicable CSD Rules) after the date on which such payment becomes due and payable in accordance with the terms and conditions of the Notes. Pursuant to the CSD Rules, payments in respect of any such beneficial interest shall be made to the holders shown as such on the fifth business day (as defined by the then applicable CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the CSD Rules. Such day shall be the “**Record Date**” in respect of the Notes in accordance with the CSD Rules. Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment and will be made in accordance with the CSD Rules.

### 2.4 Notices

So long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to the Swedish CSD may be given by the Issuer delivering the relevant notice to that clearing system for communication to the Swedish CSD (along with a copy of such notice being delivered by the Issuer to the Swedish Agent pursuant to the Swedish Agency



Agreement) rather than by mail as required by the Conditions (except that if and for so long as the Notes are listed on a stock exchange, all notices to holders of the Notes will be published in accordance with the rules of such stock exchange). Notices to each holder of beneficial interests in the Swedish CSD's interest in the Notes will be sent in accordance with the CSD Rules but shall be deemed to have been given to the holders of the Notes on the Reference Business Day immediately following the day on which the said notice was given to the Swedish CSD.

## 2.5 Agents

Master Condition 11(a) (*Agents – Appointment of Agents*) will be deleted and the following substituted therefor:

“(a) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent initially appointed by the Issuer and their respective Specified Offices, along with the Swedish Agent, are listed in the applicable Issue Terms. Subject to the provisions of (i) the Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder and (ii) the Issuing and Paying Agency Agreement dated 16 April 2014 (in respect of the Swedish Agent), the Swedish Agent acts solely as agent of the Issuer and does not assume any obligation or relationship of agency or trust for or with any Noteholder, other than to the extent any such obligations result from mandatory provisions in the Swedish Financial Instruments Accounts Act. The Issuer reserves the right at any time with the approval of the Trustee (except that the approval of the Trustee shall not be required for the appointment of a replacement Disposal Agent or Calculation Agent where Noteholders direct the Issuer to appoint such replacement pursuant to this Condition) to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent, the Custodian, the Disposal Agent, the Calculation Agent, the Swedish Agent and the Swedish CSD and to appoint additional or other Paying Agents, Transfer Agents, Custodian(s), Disposal Agent(s), Calculation Agent(s), Swedish Agent(s), a substitute Swedish CSD or such other agents as may be required provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Disposal Agent, (v) a Calculation Agent, (vi) a Custodian, (vii) a Paying Agent having its Specified Office in a major European city, (viii) a Swedish Agent in Sweden duly authorised under the CSD Rules, (ix) a Swedish CSD duly authorised as a central securities depository under the Swedish Financial Instruments Accounts Act, (x) such other agents as may be required by any other stock exchange on which the Notes may be listed, in each case as approved by the Trustee (subject as provided above) and (xi) a Paying Agent with a Specified Office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

Notice of any such change or any change of any Specified Office shall promptly be given by the Issuer to the Noteholders in accordance with Master Condition 22 (*Notices*).”.

## 2.6 Substitution

The following sentence shall be added at the end of Master Condition 19(c) (*Meetings of Noteholders, modification, waiver and substitution – Substitution*):

“In respect of any such substitution of the Issuer, the substitution will, in addition to the other criteria set forth above in this Master Condition 19(c), be subject to the prior written consent of the Swedish CSD.”.

## DESCRIPTION OF THE SWAP AGREEMENT

The Swap Agreement comprises the swap agreement relating to the Notes and entered into by the Issuer and the Swap Counterparty by their execution of the Issue Deed relating to the Notes on the terms of the ISDA 2002 form of Master Agreement as amended by the Schedule set out in the Master Swap Terms (dated 23 December 2013) incorporated by reference into (and as modified and/or supplemented by) such Issue Deed and as supplemented by (a) a confirmation (the form of which is set out below) of a credit default swap transaction in respect of each Class (each, a “**Credit Default Swap Transaction**”); (b) confirmations (the form of which is set out below) of equity swap transactions in respect of each Class (each, an “**Equity Swap Transaction**”); and (c) an ISDA Credit Support Annex (Bilateral Form-Transfer) (English Law) containing the paragraph 11 elections set out in the Master CSA Terms dated 23 December 2013 which are also incorporated by reference into (and as modified and/or supplemented by) such Issue Deed (the “**Credit Support Annex**”) dated as of the same date (together, the “**Swap Agreement**”).

The Issuer has assigned by way of security in favour of the Trustee for itself and as trustee for the Noteholders all of the Issuer’s rights, under the Swap Agreement (without prejudice to, and after giving effect to, any contractual netting provision contained in the Swap Agreement).

The form of confirmation in respect of the Credit Default Swap Transactions and the form of each confirmation in respect of the Equity Swap Transactions are set out in full below. The Master Swap Terms comprised in the Swap Agreement in respect of the Notes include the following provisions:

- (A) The transactions comprised in the Swap Agreement will be capable of termination at the option of the Issuer upon the occurrence of any of the following events of default in relation to the Swap Counterparty: failure to pay or deliver, misrepresentation, bankruptcy and merger without assumption (as such events are more particularly described in the Master Swap Terms) provided that, the Issuer may be obliged to first use reasonable efforts to enter into a replacement swap agreement with a replacement counterparty and if a replacement swap transaction is not entered into, the Swap Agreement will automatically terminate (as more fully described in the Issue Terms of the Notes). The transactions comprised in the Swap Agreement will be capable of termination at the option of the Swap Counterparty upon the occurrence of any of the following events of default in relation to the Issuer: failure to pay or deliver, bankruptcy and merger without assumption (as such events are more particularly described in the Master Swap Terms).
- (B) In the event that it becomes unlawful for either the Issuer or the Swap Counterparty to perform its obligations under a transaction comprised in the Swap Agreement, either the Issuer or the Swap Counterparty (or both) will have the right to terminate such transaction.
- (C) In the event that a withholding or deduction is imposed on any payment to be made by the Issuer or the Swap Counterparty to the other under a transaction comprised in the Swap Agreement as a result of (i) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986; (ii) any similar or successor legislation to (i); (iii) any agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986; (iv) any regulations or guidance pursuant to any of the foregoing; (v) any official interpretations of any of the foregoing; (vi) any intergovernmental agreement to facilitate the implementation of any of the foregoing (an “**IGA**”); or (vii) any law implementing an IGA, either the Issuer or the Swap Counterparty (or both) has the right to terminate such transaction.
- (D) Subject to sub-paragraphs (E), (F) and (G) below, in the event that a withholding or deduction for or on account of any Indemnifiable Tax is imposed on any payment to be made by either the Issuer or the Swap Counterparty to the other under a transaction comprised in the Swap Agreement, neither party is obliged to gross up such payment.
- (E) Subject to sub-paragraph (G) below, in the event that a withholding or deduction is or there is a substantial likelihood that a withholding or deduction will be imposed on any payment to be made by either the Issuer or the Swap Counterparty to the other under a transaction comprised in the Swap Agreement as a result of (i) any action taken by a taxing authority or brought in a court of competent

jurisdiction or (ii) a change in tax law(s), either the Issuer or the Swap Counterparty (or both) have the right to terminate such transaction.

- (F) Subject to sub-paragraph (G) below, in the event that the Issuer or the Swap Counterparty will receive a payment from the other party from which an amount has been withheld or deducted on account of any tax (such receiving party, the “**Burdened Party**”) under a transaction comprised in the Swap Agreement solely as a result of a merger event affecting the Burdened Party, the Burdened Party has the right to terminate such transaction.
- (G) In the event that the Swap Counterparty has the right to terminate a transaction comprised in the Swap Agreement as a result of the events described in sub-paragraphs (E) or (F) above, the Swap Counterparty is required to use its reasonable endeavours to arrange for the transfer of all of its rights and obligations under the relevant transactions comprised in the Swap Agreement to an office or affiliated company of the Swap Counterparty within 30 days such that the relevant termination event described in sub-paragraph (E) or (F) above ceases to exist, failing which, the Swap Counterparty shall give notice to the Issuer and may terminate the transaction.
- (H) If an Early Redemption Trigger Date occurs or the Issuer fails to give an Early Redemption Notice when required to do so (in each case, other than in circumstance where the Swap Agreement has already terminated) then the Swap Counterparty has the right to terminate the Swap Agreement.
- (I) The Swap Counterparty has the right to terminate the Swap Agreement if any of the clauses in the Principal Trust Deed relating to pre-liquidation and enforcement of the Security, post-liquidation and enforcement of the Security or post-enforcement of the Security are amended, or if the equivalent provisions of the Conditions are amended (after the Issue Date of the Notes) such that the Issuer’s obligations to the Swap Counterparty under the Swap Agreement are further contractually subordinated to the Issuer’s obligations to any other secured creditor.
- (J) The Swap Counterparty has the right to terminate the Swap Agreement if certain amendments or waivers are made by the Issuer to the relevant Series documents without the Swap Counterparty’s prior written consent which would result in the Swap Counterparty paying more or receiving less under the Swap Agreement than would otherwise have been the case immediately prior to such amendment or waiver.
- (K) The Swap Counterparty has the right to terminate the Swap Agreement if the Issuer breaches any of the covenants contained in the Principal Trust Deed, unless the Trustee and the Swap Counterparty have given their prior written consent to such breach of a restrictive covenant in accordance with the terms of the Principal Trust Deed.
- (L) If the Notes are repurchased and cancelled by the Issuer pursuant to Master Conditions 8(n) and 8(o), a proportionate part of each transaction attributable to such Notes comprised in the Swap Agreement will terminate.

In the event of any inconsistency between the Master Swap Terms and the terms of any confirmation in respect of a transaction comprised in the Swap Agreement, the terms of such confirmation shall prevail.

Payments to the Noteholders under the Notes are entirely contingent on the full and timely performance of the obligations of the Swap Counterparty under the Swap Agreement.

If the Credit Default Swap Transactions comprised in the Swap Agreement are terminated (in whole but not in part and other than as a consequence of the Notes having otherwise fallen due for redemption), the Notes will fall due for redemption. Upon the Notes falling due for redemption in such circumstances, the Equity Swap Transactions comprised in the Swap Agreement shall be terminated and the Notes shall be redeemed by payment of the Early Cash Redemption Amount, subject as provided in item 20 and paragraph 2 of Schedule 2 of the Issue Terms of the Notes.

## **CREDIT DEFAULT SWAPS AND THE CREDIT EVENT PROVISIONS RELATING TO THE CREDIT DEFAULT SWAP TRANSACTIONS AND THE NOTES**

### **Credit derivatives and credit default swaps**

A credit derivative transaction is generally a transaction which is entered into between two parties to transfer to one of the parties the credit risk of a third party. One of the parties to the transaction will be a purchaser of credit protection (and hence a seller of credit risk), whilst the other will be a seller of credit protection (and therefore a purchaser of credit risk). The Notes represent a funded credit derivative transaction in the form of a debt security whilst the Credit Default Swap Transactions includes a credit derivative component. Under the terms of the Notes, the Issuer will be the buyer of credit protection and the Noteholders will be the sellers of credit protection. Under the Credit Default Swap Transactions, the Issuer will be the seller of credit protection and the Swap Counterparty will be the buyer of credit protection.

Credit default swaps are transactions in which settlement is triggered by one of a specified number of events, which may include default, insolvency or distressed restructuring, of a particular Reference Entity or Reference Entities referenced in the terms of such transaction. Credit default swaps are bilateral contracts rather than debt securities and are traded between two parties “over-the-counter”. A protection buyer will typically make one or more fixed rate payments to the protection seller. In exchange, the protection seller typically agrees to make payment to the protection buyer following the occurrence of the relevant event in relation to the Reference Entity or an obligation thereof, subject to satisfaction of certain conditions. Alternatively, the protection seller may agree in such case to purchase at par bonds or loans of the relevant Reference Entity (which are likely to be trading in the market at a discount to par following the occurrence of the relevant event in relation to the Reference Entity). Credit default swaps are the most commonly-traded form of credit derivative transaction and many banks and financial institutions regularly quote prices for entering into credit default swaps. Credit default swaps may be entered into in relation to the credit risk of a single Reference Entity or a basket of Reference Entities. The Credit Default Swap Transactions entered into between the Issuer and the Swap Counterparty are in relation to the credit risk of four Reference Entities, all of which are financial institutions, one in North America and three in Europe.

### **Documentation and terms of a credit default swap**

Credit default swaps are typically entered into on the basis of standard definitions and provisions published by ISDA. ISDA is a trade association whose membership comprises participants in the over-the-counter derivatives markets. As at the date of this Prospectus, these definitions and provisions are primarily contained in the 2003 ISDA Credit Derivatives Definitions. From time to time, ISDA publishes supplements to such definitions. For example, the majority of credit default swap transactions traded incorporate the terms of the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions and the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions. The 2003 ISDA Credit Derivatives Definitions as so supplemented are referred to below as the “**Credit Derivatives Definitions**”. The full text of the Credit Derivatives Definitions is available on ISDA's website <http://www2.isda.org/> on a subscription basis. The Credit Derivatives Definitions are incorporated into the confirmation in respect of the Credit Default Swap Transactions (the “**Confirmation**”) and cross referred to in the Issue Terms of the Notes.

Certain terms of credit default swaps are subject to negotiation between the parties, for example the maturity of each transaction and the price of credit protection purchased. However, many key terms of credit default swaps - for example, the applicable Credit Events - are typically determined by reference to a matrix of market standard terms published by ISDA (referred to below as the “**Settlement Matrix**”). The Settlement Matrix recognises a variety of standard terms based on the nature of the relevant Reference Entity (corporate, sovereign, etc.) and its location (Europe, North America, Latin America, etc.). The standard terms in the Settlement Matrix applicable to each of the Reference Entities in the Credit Default Swap Transactions are “European Corporate” or “North American Corporate” (as specified in the Schedule to the Credit Default Swap Transactions Confirmation). The terms of the Confirmation are based on these key terms. As at the

date of this Prospectus, the Settlement Matrix is available free of charge on ISDA's website at <http://www2.isda.org/>.

### **CDDCs have the power to make binding determinations**

The Credit Derivatives Determinations Committees (the “CDDCs”) were established in March 2009 to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Prospective Noteholders should note that a CDDC that is determined to be relevant may have the power to make binding decisions for the purposes of the Notes on critical issues such as whether a Credit Event has occurred and whether one or more Auctions should take place. Consequently, Noteholders will be bound by any such relevant decisions that the Calculation Agent determines are applicable to the Notes and the timing and/or occurrence of any payments on the Notes may be affected by any such relevant decisions or subsequent determinations.

The CDDCs are regional and as at the date of this Prospectus there is a CDDC for each of the following five regions: the Americas, Asia (excluding Japan), Australia and New Zealand, Europe, the Middle East and Africa and Japan. The CDDC which is relevant for the Notes will be Europe or North America (i.e. the one constituted for the region applicable to the relevant Reference Entity to which a given determination relates).

The proceedings of each CDDC will be governed by rules published from time to time by ISDA (the “Rules”). A copy of the Rules published by ISDA as of 11 July 2012 (as amended) is available free of charge at <http://www.isda.org/credit/reviseocrules.html>. A CDDC will be convened upon referral of a question to ISDA by an eligible market participant, subject to the agreement of a specified number of the voting members of the relevant CDDC. ISDA will convene the CDDC for the region to which the referred question relates, as determined in accordance with the Rules. Noteholders will not have any rights to submit questions for resolution by a CDDC solely by virtue of being an investor in the Notes, and none of the Issuer, the Trustee, the Swap Counterparty, any Agent nor any entity connected with any of them will have an obligation to submit a question on behalf of any Noteholders.

In resolving that a Credit Event has occurred, a CDDC must act by a super-majority of 80 per cent. of voting members. Certain other determinations, for example, as to the initial list of eligible obligations for purposes of an Auction (see below) may be made by a majority of more than 50 per cent. of voting members. Where either a CDDC is required to resolve a particular matter by way of a super-majority, but having voted on such matter is unable to do so, or where a CDDC so resolves by a majority, questions may be submitted to an external review process which will be convened to review the question and potentially overturn the decision of the CDDC. In order for the external review panel to overturn the decision of a CDDC, (i) two out of three of the members of the panel must vote in the affirmative if the original vote of the CDDC did not exceed 60 per cent., or (ii) all three members of the panel must vote in the affirmative if the original vote of the CDDC was between 61 per cent. and 79 per cent. The external review panel will be chosen from a pool that is made of industry experts nominated by ISDA members. The members of each external review panel will be chosen with the unanimous approval of the applicable CDDC or by ISDA.

A CDDC may decline to resolve a particular question. Questions referred to the CDDC and the results of binding votes will be published on <http://www2.isda.org/>. None of the Issuer, the Trustee, the Swap Counterparty, any Agent nor any entity connected with any of them will be obliged to inform the Noteholders that a CDDC has been or is likely to be convened.

### **CDDC membership**

Each CDDC is composed of fifteen voting members and three non-voting consultative members. Ten of the voting members are dealer institutions, with eight serving across all regions and two potentially varying by region. The other five voting members are non-dealer institutions that serve across all regions. The three non-voting consultative members consist of one dealer institution and one non-dealer institution that serve across all regions and one dealer institution that could potentially vary by region. Noteholders will have no role in the composition of the CDDC.

As at the date of this Prospectus, the Swap Counterparty and certain of its affiliates are members of one or more CDDCs. In reaching decisions, neither the Swap Counterparty nor any other member of the CDDC will take account of the interests of the Noteholders and for such purpose the Swap Counterparty may ignore any conflict of interest arising from the Swap Counterparty's rights and obligations under, or in respect of, the Swap Agreement relating to the Notes. Noteholders will not have any recourse against ISDA or the members of any CDDC in relation to resolutions passed or not passed by any such CDDC.

### **Changes to the terms of market standard credit default swaps**

From time to time the terms of market standard credit default swap transactions may be subject to modification. Where such modifications are intended to affect existing transactions (in addition to transactions entered into after the date on which the relevant modification is announced), such modifications have previously been implemented by way of a protocol published by ISDA. Market participants may elect to adhere to such a protocol in order to confirm that they wish transactions to which they are a party to be subject to such modification or, they may agree such other amendments amongst themselves.

If the Issuer and the Swap Counterparty wished to amend the Credit Event provisions relating to the Credit Default Swap Transactions and the Notes, the Issuer is likely to seek consent from the Noteholders.

As at the date of this Prospectus, ISDA has established a working group to agree changes to the Credit Derivatives Definitions. The Swap Counterparty and its affiliates are represented in such working group and will engage in such process without regard to the interests of the Noteholders.

### **Calculation Agent Determinations and Discretions**

Noteholders should note that the Calculation Agent (under both the Notes and the Swap Agreement) is responsible for making certain determinations and has the right to exercise certain discretions with respect to the Notes and the Swap Agreement (and, by extension, each of the Credit Default Swap Transactions thereunder).

#### *Determinations*

For example, the Calculation Agent is responsible for:

- (i) determining whether an Auction would apply for the purposes of the Credit Event;
- (ii) where there are multiple Auctions held concurrently, determining the Auction which will apply to the Credit Default Swap Transactions;
- (iii) where the Credit Suisse Cash Settlement Amount is not determined by an Auction, determining the Credit Suisse Cash Settlement Amount on the basis of bid quotations from third party dealers (in which context the Calculation Agent will be entitled to select the cheapest eligible obligation for valuation);
- (iv) notwithstanding publication by ISDA of a resolution of a CDDC, determining successor Reference Entities for the purposes of the Credit Default Swap Transactions;
- (v) determining the value of the obligations selected for determination of the Final Price, for the purpose of the Credit Default Swap Transactions; and
- (vi) determining whether, under the terms of the Credit Default Swap Transactions (and by extension, the Notes), certain obligations of the parties would be suspended pending a resolution of a CDDC.

#### *Discretions*

The Calculation Agent has the right to:

- (i) elect whether to deliver a notice and supporting information to trigger an early redemption of the Notes following the occurrence of a Credit Event (whether or not a CDDC considered the same);
- (ii) (A) select a date for the valuation of the obligations selected for determination of the Final Price and (B) select third party dealers from which to obtain bid quotations for the purposes of such valuation, in each case, only in those instances where the Credit Suisse Cash Settlement Amount is not determined pursuant to an Auction; and
- (iii) select the date on which certain valuations are undertaken to determine the Early Cash Redemption Amount payable under the Notes.

Noteholders should note that any determination and/or calculation made by the Calculation Agent shall, in the absence of manifest error, be final and binding on the Issuer and the Noteholders.

### **Reference Entities and Succession Events**

Noteholders are exposed, through the Issue Terms, to the credit risk of four Reference Entities (as described in more detail in the section of this Prospectus entitled “*Transaction Description – General Transaction Information*”). The creditworthiness of a Reference Entity may change over time. If the creditworthiness of any of the Reference Entities declines, then the market value of the Notes is likely to decline, reflecting an increase in the perceived likelihood that a Credit Event may occur in relation to any such Reference Entity.

The identity of a Reference Entity, and hence the credit risk associated with the Notes, may change as a result of corporate events relating to that Reference Entity, for example a merger, demerger, or transfer of assets or liabilities or, in the case of a sovereign Reference Entity, events such as unification or dissolution or annexation (referred to in the Credit Derivatives Definitions as a “**Succession Event**”). If ISDA publicly announces that a CDDC has resolved that a different entity or entities has or have become successor(s) to any such original Reference Entity, then the identity of such original Reference Entity may be treated as having been amended accordingly for the purposes of the Notes. The credit risk associated with a successor Reference Entity or Reference Entities may be different from and could be greater than the credit risk associated with such original Reference Entity.

The Credit Derivatives Definitions set out detailed rules for the determination of successor Reference Entities following a Succession Event. For Reference Entities which are not sovereigns (as is the case for the Notes), this will involve a determination, on the basis of available information, as to the liability which has been assumed by any potential successor in relation to the outstanding bonds and loans of the Reference Entity. It is possible that, based on such a determination, a single successor will be identified, or there may be multiple successors. The original Reference Entity may itself continue to be a Reference Entity, together with other successor Reference Entities. If multiple successor Reference Entities are identified, then each such successor will be a Reference Entity and the Reference Entity Notional Amount in respect of each successor Reference Entity shall be the Reference Entity Notional Amount in respect of the original Reference Entity divided by the total number of successor Reference Entities. Accordingly if such original Reference Entity has more than one successor Reference Entity as a result of such corporate event, then the Noteholders will be exposed to the creditworthiness of additional Reference Entities.

In determining successors, a CDDC will disregard a Succession Event that occurred more than 90 days prior to the date of the relevant request to convene the CDDC. The Calculation Agent is not obliged to make any such request to a CDDC on behalf of the Noteholders, and Noteholders will have no ability to make such a request solely by virtue of being a Noteholder. Absent publication by ISDA of a resolution of a CDDC, the Calculation Agent may make, but will not be obliged to make, a determination as to successor Reference Entities for the purposes of the Credit Swap Default Transactions and, consequently, the Notes.

### **Credit Events and related terms**



Settlement of a credit derivative, including the Credit Default Swap Transactions (and, by extension, a redemption of the Notes), is contingent on the occurrence of a Credit Event. The Credit Events which are applicable for the purposes of a particular Reference Entity may vary from Reference Entity to Reference Entity. The selection of Credit Events as applicable or not applicable will materially affect the credit risk to which Noteholders are exposed.

The Credit Derivatives Definitions provide for a number of Credit Events, with the following applying to the Credit Default Swap Transactions and the Notes:

### **Bankruptcy**

“Bankruptcy” includes where a Reference Entity:

- (i) is dissolved (other than where this is as a result of such Reference Entity merging or otherwise combining with another entity);
- (ii) becomes insolvent or is unable to pay its debts as they become due or admits its inability to do so;
- (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iv) institutes, or has instituted against it, 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, and such proceeding or petition results in a judgment of insolvency or bankruptcy or is not dismissed within 30 calendar days of such institution;
- (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator or equivalent official; or
- (vii) has a secured party take possession of all or substantially all of its assets, or such assets are subject to attachment by a creditor.

### **Failure to Pay**

A “Failure to Pay” will occur where a Reference Entity fails to make, when and where due and after the expiration of any applicable time period (a “**Grace Period**”) during which such failure may be cured by such Reference Entity (and after the satisfaction of any conditions precedent to such Grace Period), any payments in an aggregate amount of not less than a specified amount under one or more Obligations (as defined below) in accordance with the terms of such Obligations at the time of such failure. The Grace Period, if any, will be as set out in the terms of the Obligation; if no such Grace Period is specified, a minimum Grace Period will be assumed to apply.

### **Restructuring**

“Restructuring” is, generally speaking, a process whereby a company or a sovereign entity facing cash flow problems or which is otherwise in financial distress, renegotiates its debts. A “Restructuring” for the purposes of the Credit Derivative Definitions will occur if:

- (i) any of the following events occurs in relation to a particular obligation of a Reference Entity (save in respect of a Reference Entity that is a US Reference Entity);

- (A) a reduction in the rate or amount of interest payable;
  - (B) a reduction in the amount of principal payable;
  - (C) a postponement or other deferral of a date or dates for payment;
  - (D) a change in the ranking in priority of payment of such obligation resulting in the such obligation becoming subordinated in its right to receive payment to one or more other obligations; or
  - (E) a redenomination of an obligation (other than to certain permitted currencies, and excluding a redenomination into Euro where the relevant currency jurisdiction joins the Eurozone); and
- (ii) such event occurs in a form which is applicable to all of the holders of that obligation and where such event is not expressly provided for under the original terms of that obligation; and
  - (iii) any such event results from a deterioration in the creditworthiness or financial condition of the relevant Reference Entity.

Unless “Multiple Holder Obligation” is specified as not applicable in relation to a particular Reference Entity in the Confirmation, a Restructuring will have occurred only if the event in question relates to an Obligation held by more than three non-affiliated holders and, where, for Obligations other than bonds, the consent of at least two-thirds of the holders of the relevant Obligation is required.

Limitations may apply as to the eligible obligations which may be taken into account for credit derivatives auction or, where applicable, delivered in settlement of a credit default swap.

*Modified Restructuring Maturity Limitation and Conditionally Transferable Obligations (“Mod Mod R”)*

If “Mod Mod R” applies in accordance with the Confirmation, then in order to be taken into account for settlement an obligation must be a “Conditionally Transferable Obligation” that is, capable of being assigned or novated with consent, provided that such consent must not be unreasonably withheld. Again, the maturity of such obligation must fall within specified limits.

*Restructuring Maturity Limitation and Fully Transferable Obligations (“Mod R”)*

If “Mod R” applies in accordance with the Confirmation, then in order to be taken into account for settlement an obligation must be a “Fully Transferable Obligation” that is, capable of being assigned or novated without consent. Again, the maturity of such obligation must fall within specified limits.

**Obligations**

The occurrence of a Failure to Pay or Restructuring Credit Event will be determined by reference to eligible obligations of the relevant Reference Entity, referred to as “**Obligations**”, which may be loans, bonds or other obligations issued directly by such Reference Entity or obligations in respect of which such Reference Entity acts as guarantor. Obligations are defined by reference to the “Obligation Category” and “Obligation Characteristics” (if any) specified for each Credit Default Swap Transaction.

**Obligation Categories**

The Obligation Category for the Credit Default Swap Transactions and, consequently, the Notes, is Borrowed Money (on the basis of the standard terms contained in the “European Corporate” Settlement Matrix, which applies in respect of each of the Credit Default Swap Transactions).

“Borrowed Money” includes bonds and loans (except for an undrawn revolving credit facility) and deposits, but excludes repos where a security is repurchased at a higher price, the difference being equivalent to a finance charge. It also includes deposits and disbursements under letters of credit.

### **Obligations Characteristics**

No Obligation Characteristics are specified for any of the Credit Default Swap Transactions and, consequently, the Notes (on the basis of the standard terms contained in the “European Corporate” Settlement Matrix, which applies in respect of each of the Credit Default Swap Transactions).

### **Auction Settlement**

When a Credit Event occurs in respect of a Reference Entity that is referenced in a significant number of credit derivative transactions, a CDDC may resolve that an Auction should be held to facilitate settlement of credit default swap transactions referencing such Reference Entity at the same time and at a fixed settlement price. The price determined through an Auction is referred to as an “**Auction Final Price**“. Where an Auction is held for such Reference Entity and the Calculation Agent determines that the “Deliverable Obligations” (see below) would be substantially the same as the provisions in the relevant Credit Default Swap Transaction for selecting the obligations for determination of the Final Price, the related Auction Final Price may be used to determine the Early Cash Redemption Amount that will be paid to Noteholders.

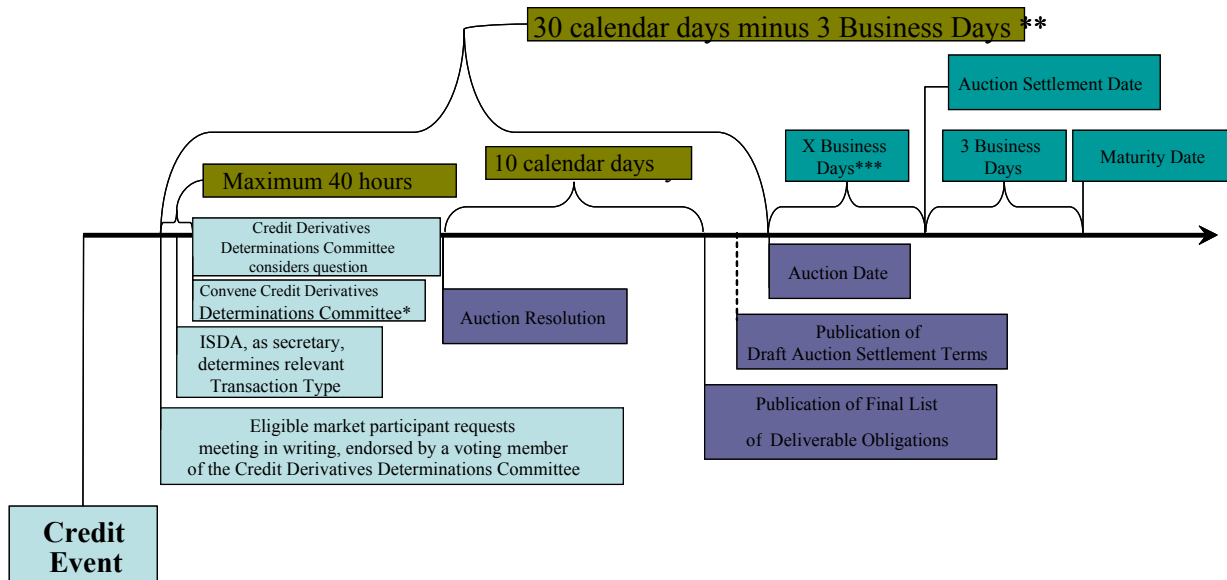
During the Auction process credit derivatives dealers participating in the Auction submit prices at which they would buy and sell the eligible obligations of the relevant Reference Entity, together with requests to buy or sell such obligations received from their customers.

As of the date hereof, the Swap Counterparty (and certain of its affiliates) is a leading dealer in the credit derivatives market. There is a high probability that the Swap Counterparty or its affiliates will act as a participating bidder in any Auction held with respect to a Reference Entity. In such capacity, the Swap Counterparty or its affiliates may take certain actions which may influence the Auction Final Price including, amongst other things, providing rates of conversion to determine the Auction currency rate and submitting bids and offers on behalf of itself or its customers. In deciding whether to take any such action (or whether to act as a participating bidder in any Auction), the Swap Counterparty or its affiliates will not be required to, and will not, consider the interests of the Noteholders. A Noteholder has no right, solely by virtue of being an investor in the Notes, to submit a bid or offer in an Auction.

If an Auction is held in respect of a Reference Entity it is expected that the relevant Auction will occur three business days immediately before the 30th calendar day after which the relevant CDDC received the request to determine whether a Credit Event has occurred with respect to such Reference Entity. However, the CDDC may decide that an Auction in respect of a Reference Entity should take place quicker than normal, for example, to ensure that quicker than normal settlement of relevant obligations occurs before any proposed bond exchange. Alternatively, the Auction process may be substantially delayed, for example because the CDDC determines that there is insufficient information available to it to establish auction terms. In such case, the payment of the Early Cash Redemption Amount to the Noteholders may also be substantially delayed.

The expected timeline is illustrated in the diagram below which is indicative only and may be expanded or compressed by resolution of a specified majority of the relevant CDDC.

## Expected Auction Timeline for credit default swaps



### Deliverable Obligations

An Auction will be conducted in relation to eligible obligations of the relevant Reference Entity, referred to as “**Deliverable Obligations**”. Deliverable Obligations will be identified by the CDDC. Members of the relevant CDDC may propose obligations which they consider to be eligible for inclusion in an initial list to be published. Subsequently, market participants may propose additional obligations for inclusion in such list, or challenge the eligibility of obligations already on such list, prior to publication of a final list of such Deliverable Obligations. Noteholders will not have the ability to propose obligations for inclusion in the list of Deliverable Obligations, or to challenge the eligibility of Deliverable Obligations which are included on such list.

The Deliverable Obligation Category for each of the Credit Default Swap Transactions is “Bond or Loan” (on the basis of the standard terms contained in the “European Corporate” Settlement Matrix, which applies in respect of each of the Credit Default Swap Transactions). Other possible Deliverable Obligation Categories that may apply to credit derivatives in general in relation to the relevant Reference Entity (only one of which may apply at any time) are “Payment”, “Borrowed Money”, “Reference Obligations Only”, “Bond” or “Loan”.

The Deliverable Obligation Characteristics are “Not Subordinated”, “Specified Currency”, “Not Contingent”, “Assignable Loan”, “Consent Required Loan”, “Transferable”, “Maximum Maturity” (30 years), and “Not Bearer”. Other possible Deliverable Obligation Characteristics that may apply to credit derivatives in general in relation to the relevant Reference Entity (one or more of which may apply at any time) are “Not Sovereign Lender”, “Not Domestic Currency”, “Not Domestic Issuance”, “Not Domestic Law”, “Listed”, “Direct Loan Participation” and “Accelerated or Matured”. Certain of such characteristics will be applicable only to Obligations which are bonds (“Listed”, “Not Bearer”), which are not loans (“Transferable”) or which are loans (“Assignable Loan, Consent Required Loan”, “Direct Loan Participation”). In the case of “Assignable Loan”, “Consent Required Loan” and “Direct Loan Participation” the relevant Deliverable Obligation is required to satisfy one only of such characteristics.

“Accelerated or Matured” means an Obligation which on or prior to the date on which it is to be delivered in an Auction it is due to mature and due to be repaid, or as a result of downgrade/bankruptcy is due to be repaid as a result of an acceleration clause.

“Assignable Loan” means a Loan is capable of being assigned or novated to a different bank or financial institution as lender without the consent of the Reference Entity or guarantor, if any, of such Loan or any agent for the Loan.

“Bond” includes any obligation of a type included in the “Borrowed Money” Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security but does not include any other type of Borrowed Money.

“Bond or Loan” means any Obligation which is either a Bond or a Loan.

“Consent Required Loan” means a Loan that may be assigned or novated only with the consent of the relevant Reference Entity or guarantor, if any of such Loan or any agent for the Loan.

“Direct Loan Participation” means a Loan with a participation agreement whereby the buyer is capable of creating, or procuring the creation of, a contractual right in favour of the seller that provides the seller with recourse to the participation seller for a specified share in any payments due under the relevant loan which are received by the participation seller.

“Listed” means an obligations which is quoted, listed or ordinarily purchased and sold on an exchange.

“Loan” includes any term loan agreement, revolving loan agreement or other similar credit agreement but does not include any other type of “Borrowed Money” obligation.

“Maximum Maturity” means that the Obligation must have a maximum maturity which is no longer than the period specified in the Confirmation.

“Not Bearer” means that an obligation must not be in the form of a bearer instrument unless it is held and traded within Euroclear, Clearstream or another internationally recognised clearing system. A bearer instrument is an instrument that is payable on demand to the holder of the instrument, i.e. the entity or person physically possessing the instrument is deemed to be the owner and ownership is passed by physical delivery of the instrument.

“Not Contingent” means an obligation which on or prior to the date on which it is to be delivered in an Auction has terms such that its outstanding principal balance, or the amount that is due and payable whether by reason of acceleration, maturity, termination or otherwise, is not capable of being reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment).

“Not Domestic Currency” means any obligation that is payable in any currency other than the domestic currency as specified in the Settlement Matrix or Confirmation. If the currency is not specified, the domestic currency shall be that of the Reference Entity if it is a sovereign, or that of the country in which the Reference Entity is organised if it is not a sovereign.

“Not Domestic Issuance” means any obligation except any obligation that was, at the time it was issued or incurred, intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) satisfies this characteristic.

“Not Domestic Law” means any obligation that is not governed by the laws of the relevant Reference Entity, if such Reference Entity is a Sovereign, or the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is not a Sovereign.

“Not Sovereign Lender” means any obligation that is not primarily owed to a sovereign or supra-national organisation.

“Not Subordinated” means that the obligation which can trigger a credit event must rank equal or higher in the Reference Entity’s capital structure than the most senior Reference Obligation of the Reference Entity in terms of priority of payment. If no Reference Obligation is specified, then “Not Subordinated” refers to any of the Reference Entity's senior “Borrowed Money” obligations.

“Specified Currency” means an obligation that is payable in the currency or currencies specified in the Confirmation or, if no currency is so specified, any of the lawful currencies of Canada, Japan, Switzerland, the United Kingdom, the United States of America and the Euro and any successor currency to any such currencies.

“Transferable” means an Obligation that is transferable to institutional investors without any contractual, statutory or regulatory restrictions.

Deliverable Obligations may be indirect obligations of the relevant Reference Entity by way of an eligible guarantee. If the Confirmation specifies that “All Guarantees” applies to a particular Reference Entity (as is the case in respect of each of the Credit Default Swap Transactions on the basis of the standard terms contained in the “European Corporate” Settlement Matrix, which applies in respect of each Credit Default Swap Transaction), then an eligible guarantee will be any irrevocable guarantee of the Reference Entity of all amounts due to be paid by the relevant underlying obligor, subject to exceptions e.g. where the arrangement is structured as surety bond or letter of credit, or where the terms of the arrangement provide for the reduction or discharge or assignment of the obligations of the guarantor.

If “All Guarantees” is not specified as applicable in the Confirmation, then eligible guarantees will only be those provided by a parent company in respect of a subsidiary (broadly speaking, a subsidiary is an where another company (the “parent company”) owns more than 50 per cent. of the shares or other interests with the power to elect the board of directors or any other similar body).

### **Auction Settlement following a Restructuring Credit Event**

In relation to certain categories of Reference Entity and a Restructuring Credit Event, limitations on the maturity of eligible obligations to be taken into account for the purposes of the related Auction(s) will apply.

Such limitations will apply to a Reference Entity if either “Restructuring Maturity Limitation and Fully Transferable Obligation” (often abbreviated to “Modified Restructuring” or “Mod R”) or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation (often referred to as “Modified Modified Restructuring” or “Mod Mod R” as explained above) is expressed to be applicable to that Reference Entity in accordance with the Confirmation.

In cases where settlement of a credit default swap is triggered by the buyer and Mod R (being market standard for credit default swaps referencing North American corporate reference entities to which Restructuring is applicable) or Mod Mod R (being market standard for European corporate entities) is applicable, any obligation which such buyer wishes to deliver to the seller must not only constitute a Deliverable Obligation but must also satisfy additional requirements as to transferability (for Mod R, being a Fully Transferable Obligation and for Mod Mod R being a Conditionally Transferable Obligation as explained under “*Restructuring*” above) and as to its final maturity date (as explained under “*Restructuring*” above).

Where Mod R or Mod Mod R applies, several concurrent but separate Auctions may occur with respect to such Reference Entity, as determined by the relevant CDDC, with each such Auction relating to credit default swaps with maturities falling within stipulated periods (so-called “maturity buckets”) following the occurrence of the effective date of the event giving rise to the relevant Restructuring Credit Event. In general, market practice is such that a total of eight separate maturity buckets might apply in respect of a

Reference Entity with respect to which a Restructuring has occurred and in respect of which Mod R or Mod Mod R is applicable. The first seven such Maturity Buckets will each encompass a maturity period that ends, respectively, on the first of March 20, June 20, September 20 or December 20 to occur on or immediately following the date that is 2.5 years, 5 years, 7.5 years, 10 years, 12.5 years, 15 years or 20 years following the date of the Restructuring; and the eighth maturity bucket will encompass a maturity period ending after 20 years following the date of the Restructuring (each such ending date referred to as a “**Maturity Bucket End Date**”). Where settlement of a credit default swap is triggered by the buyer, as a general rule, credit default swaps will be assigned to the maturity bucket with the Maturity Bucket End Date that occurs on or immediately following the scheduled termination date of such credit default swap.

An Auction will only be held in relation to any particular maturity bucket if there is a sufficient volume of credit default swaps with maturities falling within that period. Failing that, no Auction will be held in relation to such bucket, and each party to a standard credit default swap transaction will have the ability to (but will not have to) give a notice requiring that the Auction Final Price be determined based on the Auction conducted in relation to an alternative maturity bucket.

Where the buyer of credit protection gives such a notice, the relevant Auction used to determine the Auction Final Price will be the Auction for which a more limited number of obligations of the relevant Reference Entity are eligible or, where there are a number of such Auctions, the Auction with the widest range of such obligations (that is, the Auction corresponding to the next-shortest dated maturity bucket, which would tend to result in a higher Auction Final Price and hence a lower credit loss). Where the relevant notice is given by the credit protection seller, the relevant Auction will be the Auction with the widest range of eligible obligations (that is the Auction corresponding to the longest-dated maturity bucket, which would tend to result in a lower Auction Final Price and hence a greater loss). If both parties deliver such a notice, then the credit protection buyer's notice will prevail.

## FORM OF THE CREDIT DEFAULT SWAP TRANSACTION CONFIRMATION

Credit Suisse International  
One Cabot Square  
London E14 4QJ  
United Kingdom  
("Swap Counterparty")

Argentum Capital SA  
51 Avenue J.-F. Kennedy  
L-1855 Luxembourg  
(acting in respect of its Compartment GAP 1924 - 1925 June 2014)  
("Issuer")

Attention: The Directors

Fax No:+352 27 61 62 2

[●] 2014

Dear Sirs

The purpose of this letter agreement is to set out the terms and conditions of the Swap Transactions entered into between us on the Trade Date specified below in respect of each Class of Notes (as defined below) (each such Swap Transaction, a "**Swap Transaction**"). This Confirmation constitutes a "**Confirmation**" as referred to in the Agreement (as defined below).

Words and expressions used, but not otherwise defined herein (or in the Credit Derivative Definitions), shall have the same meaning ascribed to them (or incorporated by reference) in the Issuer Terms of the Series 2014-31 Class A up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the "**Class A Notes**") and Class B up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the "**Class B Notes**" a "**Class**" and all such Classes of Notes together, the "**Notes**").

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions as supplemented by each of the May 2003 Supplement and the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions (published on 14 July 2009) (together, the "**Credit Derivatives Definitions**"), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Credit Derivatives Definitions and this Confirmation, this Confirmation will prevail.

### **1. Swap Agreement**

This Confirmation supplements, forms part of, and is subject to, the 2002 ISDA Master Agreement dated as of 11 July 2014 (as the same may be amended or supplemented from time to time, the "**Agreement**") entered into between the Swap Counterparty and the Issuer by their execution of the Issue Deed dated 11 July 2014 between them and certain other persons for purposes including constituting and prescribing the Issue Terms of the Notes and activating the security provisions in the Trust Deed. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

The terms of the Swap Transactions to which this Confirmation relates are as follows:

### **2. General Terms**



The following apply to each Swap Transaction separately unless otherwise stated or the context otherwise requires.

Trade Date: 26 June 2014

Effective Date: 11 July 2014

Scheduled Termination Date: The Scheduled Maturity Date of the Notes

Termination Date: The later to occur of:

- (a) the Scheduled Termination Date; and
- (b) the Extended CDS Termination Date, if any.

Extended CDS Termination Date: With respect to one or more Reference Entities, the latest of:

- (a) if Grace Period Extension applies with respect to a Reference Entity and a Potential Failure to Pay occurs on or prior to the Credit Event Observation Period End Date with respect to such Reference Entity, the Grace Period Extension Date (or if more than one Reference Entity is so affected, the latest Grace Period Extension Date);
- (b) if a Potential Credit Event Extension is applicable, the Potential Credit Event Extension Termination Date (or if more than one Reference Entity is so affected, the latest Potential Credit Event Extension Date); and
- (c) the Business Day immediately following the latest Credit Suisse Cash Settlement Date occurring after the Scheduled Termination Date.

Potential Credit Event Extension: If the Calculation Agent determines in its sole and absolute discretion that a Potential Credit Event has occurred on or prior to the Credit Event Observation Period End Date (determined by reference to Greenwich Mean Time (unless otherwise specified or the Calculation Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity)) in relation to a Reference Entity, then the Calculation Agent shall as soon as reasonably practicable thereafter send a notice to the Issuer setting out such determination. If a Potential Credit Event is so determined by the Calculation Agent to have occurred, the Swap Counterparty may elect to extend the Scheduled Termination Date to a date which is the later of either (i) the 21<sup>st</sup> calendar day following the Credit Event Observation Period End Date, or (ii) if a Credit Event Resolution Request Date with respect to the Potential Credit Event has occurred on or prior to the Credit Event Observation Period End Date, the date on which the related DC Credit Event Announcement occurs (or, in the case of a DC Credit Event Announcement in respect of a Restructuring Credit Event, the date on which the relevant Exercise Cut-off Date occurs) or the date two Business Days following the date on which the related DC No Credit Event Announcement occurs, as applicable (such later date, the

“**Potential Credit Event Extension Termination Date**”). References herein to the Credit Event Observation Period End Date shall mean the Credit Event Observation Period End Date as extended by the Grace Period Extension provisions and the Grace Period Extension shall be construed accordingly. The Swap Counterparty shall give notice in writing to the Calculation Agent and the Noteholders of its election to extend the Scheduled Termination Date pursuant to this Potential Credit Event Extension provision on or as soon as reasonably practicable after the Credit Event Observation Period End Date (provided that any failure to give such notice shall not affect the right of the Swap Counterparty to extend the Scheduled Termination Date pursuant to this Potential Credit Event Extension provision).

If a Potential Credit Event Extension Termination Date is determined in respect of any Swap Transaction, the Termination Date of each other Swap Transaction shall also fall on such Potential Credit Event Extension Termination Date.

Potential Credit Event:	An event which, in the sole and absolute determination of the Calculation Agent, may be a Credit Event.
Credit Event Observation Period End Date:	The last day of the Credit Event Observation Period. References to the Scheduled Termination Date in the Extension Date, Grace Period and Grace Period Extension provisions of the Credit Derivatives Definitions should be construed as references to the Credit Event Observation Period End Date.
Credit Event Observation Period:	The period starting on, and including, 27 April 2014 and ending on, and including, 4 April 2020.
Seller:	Issuer
Buyer:	Swap Counterparty
Calculation Agent:	Swap Counterparty. Notwithstanding anything to the contrary in the Credit Derivatives Definitions, the Calculation Agent shall not be required to consult with the parties in making any determination required to be made by it under this Swap Transaction.
Calculation Agent City:	London
Business Days:	London, Stockholm and TARGET Settlement Day.
Business Day Convention:	Following (which, subject to Sections 1.4, 1.6, 1.23, 2.2(i) and 2.34(b) of the Credit Derivatives Definitions, shall apply to any date referred to in this Confirmation that falls on a day that is not a Business Day).
<i>Initial Exchange:</i>	
Initial Exchange Date:	Issue Date of the Notes
Issuer Initial Exchange Amount:	An amount equal to the Issue Proceeds of the Notes minus the aggregate issue price of the Class Attributable Warrants; provided that payment of the Issuer Initial Exchange Amount to the Swap Counterparty shall be settled by the Issuer procuring that the Dealer shall settle such amount on its behalf (in accordance with arrangements

agreed between the Dealer and the Swap Counterparty) in part consideration for the issue of the Notes by the Issuer to the Dealer on the Issue Date.

Initial Class Notional Amount:

In respect of the Swap Transaction:

- (a) relating to the Class A Notes: SEK [•]; and
- (b) relating to the Class B Notes: SEK [•].

Class Notional Amount:

On any day, the Initial Class Notional Amount in effect as at such day, subject, in each case, to reduction as follows:

- (i) upon the occurrence of a Credit Suisse Cash Settlement Date, the Class Notional Amount shall be reduced by an amount equal to the Credit Reduction Amount pursuant to paragraph 6 (*Terms Relating to Settlement*) of this Confirmation; and
- (ii) immediately following payment of the Final Exchange Amount (I), the Class Notional Amount of each Swap Transaction shall be equal to the aggregate of the Reference Entity Notional Amounts of the Reference Entities in respect of which Unsettled Credit Events have been determined by the Calculation Agent (if any) (and, for the avoidance of doubt, if there are no Unsettled Credit Events, such Class Notional Amount shall be reduced to zero).

Where an Extended CDS Termination Date occurs, the Class Notional Amount in respect of each Swap Transaction shall be reduced on any Credit Suisse Cash Settlement Date falling after the Final Exchange Date (I) and prior to such Extended CDS Termination Date by an amount equal to the relevant Credit Reduction Amount pursuant to paragraph 6 (*Terms Relating to Settlement*) of this Confirmation and shall be reduced to zero on the Extended CDS Termination Date.

Class Redemption Factor:

In respect of the Swap Transaction:

- (a) relating to the Class A Notes: [•]%; and
- (b) relating to the Class B Notes: [•]%.

Tap issues and Repurchases:

If at any time further Notes of the Class to which the Swap Transaction relates are issued in accordance with Master Condition 21 or any Notes are repurchased and cancelled pursuant to Master Conditions 8(n) and 8(o), proportionate adjustments to this Swap Transaction which are necessary to preserve the economic effect of this Swap Transaction (including, without limitation, an adjustment to the relevant Class Notional Amount) shall be made automatically, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

Final Exchange Amount Payer:

Swap Counterparty

Final Exchange Amount (I):

On the Final Exchange Date (I), the Final Exchange Amount Payer shall pay to the Issuer an amount in SEK equal to the Class Notional

Amount as at such Final Exchange Date (I) (for the avoidance of doubt after taking into account any reductions as a result of any Credit Suisse Cash Settlement Amounts in respect of the Swap Transaction determined on the Final Exchange Date (I)),

provided that if the Termination Date has been extended beyond the Final Exchange Date (I) to the Extended CDS Termination Date, the Final Exchange Amount Payer shall pay to the Issuer on the Final Exchange Date (I) an amount in SEK equal to the Class Notional Amount as at such Final Exchange Date (I) (for the avoidance of doubt after taking into account any reductions as a result of any Credit Suisse Cash Settlement Amounts in respect of the Swap Transaction determined on the Final Exchange Date (I)) minus the aggregate of the Reference Entity Notional Amounts of the Reference Entities in respect of which Unsettled Credit Events have been determined by the Calculation Agent,

subject to a minimum of zero.

The payment of this amount shall be in addition to any Credit Suisse Cash Settlement Amount payable by the Swap Counterparty on any Credit Suisse Cash Settlement Date falling on the Final Exchange Date (I).

Final Exchange Date (I): One Business Day immediately prior to the Scheduled Termination Date.

Final Exchange Amount (II): On the Final Exchange Date (II), if any, the Final Exchange Amount Payer shall pay to the Issuer an amount in SEK equal to any remaining Class Notional Amount as at such Final Exchange Date (II) (for the avoidance of doubt after taking into account any reductions as a result of any Credit Suisse Cash Settlement Amounts in respect of the Credit Swap Transaction determined from, but excluding, the Final Exchange Date (I) to, and including, the Extended CDS Termination Date).

The payment of this amount shall be in addition to any Credit Suisse Cash Settlement Amount payable by the Swap Counterparty on any Credit Suisse Cash Settlement Date falling on the Final Exchange Date (II).

Final Exchange Date (II): One Business Day immediately prior to the Extended CDS Termination Date.

Unsettled Credit Event: In respect of a Reference Entity, either (a) the existence of a Potential Failure to Pay as at the Credit Event Observation Period End Date or (b) the occurrence of an Event Determination Date in respect of which a Credit Suisse Cash Settlement Date may occur, but has not yet occurred prior to the Final Exchange Date (I) or (c) the determination of a Potential Credit Event by the Calculation Agent.

### **3. Reference Entity Provisions**

**The following apply to each swap transaction separately unless otherwise stated or the context otherwise requires.**

Reference Entity: Each entity (and each Successor to such entities) set out in the Schedule to this Confirmation (the “**Schedule**”).

Each Reference Entity has been designated by Buyer as a particular “**Transaction Type**” in the Schedule (being one of the Transaction Types specified in the Matrix (as defined below)). Each Reference Entity shall be subject to the application of the standard terms set out in the Credit Derivatives Physical Settlement Matrix (as applicable on the Effective Date and as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) (the “**Matrix**”)) which, subject as provided in the next following paragraph, correspond to the Transaction Type designated by Buyer for such Reference Entity; provided that in the event of any inconsistency between the Matrix and the terms of this Confirmation, the terms of this Confirmation shall prevail.

The Calculation Agent shall determine the Transaction Type of each Successor Reference Entity in good faith and in a commercially reasonable manner so that the Transaction Type so determined shall be consistent with the Calculation Agent’s reasonable determination of prevailing market practice and is one of the Transaction Types specified in the Matrix. If the Calculation Agent determines in good faith that there is no clear prevailing market practice in relation to which Transaction Type applies to a particular Reference Entity, then the Calculation Agent shall select a Transaction Type for such Reference Entity (and, accordingly, the Transaction Type set out in the Matrix which shall apply) which the Calculation Agent determines in good faith to be most appropriate for the Reference Entity concerned.

Reference Amount	Entity	Notional	With respect to each Reference Entity, the amount specified in the table set out in the Schedule hereto in the same row as such Reference Entity under the column entitled:
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- (a) “*Reference Entity Notional Amount in respect of the Swap Transaction relating to the Class A Notes*” in respect of the Swap Transaction in respect of the Class A Notes; and
- (b) “*Reference Entity Notional Amount in respect of the Swap Transaction relating to the Class B Notes*” in respect of the Swap Transaction in respect of the Class B Notes,

as the same may be adjusted in respect of Successor as provided in the Credit Derivatives Definitions as amended pursuant to paragraph 7 (*Additional Amendments to Credit Derivative Definitions*) below.

Reference Obligations: With respect to each Reference Entity, each Reference Obligation listed with respect to such Reference Entity in the Schedule and any other Obligation of such Reference Entity designated in accordance with “Settlement Method” below.

All Guarantees: In relation to each Reference Entity, applicable or not applicable as set out in the Matrix for its Transaction Type.

#### **4. Credit Events**



This Swap Transaction may be subject to more than one Event Determination Date and therefore more than one Credit Reduction Amount (and, accordingly, more than one Credit Suisse Cash Settlement Amount), provided that the Notional Amount may not be reduced below zero following the determination of a Credit Reduction Amount. Furthermore, only one Event Determination Date may occur in respect of each Reference Entity under this Swap Transaction and Section 3.9 of the Credit Derivatives Definitions shall not apply.

## **6. Terms Relating to Settlement:**

Credit Event Reduction:	Upon the occurrence of a Credit Suisse Cash Settlement Date with respect to a Reference Entity, the Class Notional Amount of the Swap Transaction will be reduced as at such Credit Suisse Cash Settlement Date by an amount equal to the Credit Reduction Amount relating to such Reference Entity.
Credit Event Settlement:	<p>On any Credit Suisse Cash Settlement Date, the Swap Counterparty shall pay to the Issuer an amount equal to the Credit Suisse Cash Settlement Amount determined in respect of the Reference Entity in respect of which such Credit Suisse Cash Settlement Amount relates. For the avoidance of doubt, if the same Credit Suisse Cash Settlement Date relates to more than one Reference Entity, the Swap Counterparty shall pay to the Issuer an amount equal to the aggregate of the Credit Suisse Cash Settlement Amounts determined in respect of the Reference Entities in respect of which such Credit Suisse Cash Settlement Date relates.</p> <p>For the avoidance of doubt, separate Credit Suisse Cash Settlement Amounts will be calculated and be payable in respect of each Swap Transaction.</p>
Settlement Currency:	SEK
Credit Suisse Cash Settlement Date:	In respect of any Reference Entity in respect of which an Event Determination Date has occurred, the day falling 5 Business Days following the calculation of the Credit Suisse Cash Settlement Amount determined in respect of such Reference Entity. For the avoidance of doubt, a Credit Suisse Cash Settlement Date may fall on or after the Final Exchange Date (I).
Credit Reduction Amount:	In respect of any Reference Entity in respect of which an Event Determination Date has occurred an amount in SEK equal to the Reference Entity Notional Amount of such Reference Entity (as specified in respect of such Reference Entity in the Schedule).
Credit Suisse Cash Settlement Amount:	<p>In respect of any Reference Entity in respect of which an Event Determination Date has occurred an amount in SEK equal to the product of:</p> <ul style="list-style-type: none"><li>(a) the Credit Reduction Amount determined in respect of such Reference Entity;</li><li>(b) the Auction Final Price or, where the Fallback Settlement</li></ul>

Method is applicable, the Final Price determined in respect of the relevant Reference Entity; and

- (c) the Class Redemption Factor in respect of the Swap Transaction.

The Calculation Agent shall calculate the Credit Suisse Cash Settlement Amount on the date falling 5 Business Days following the Auction Final Price Determination Date or, where the Fallback Settlement Method is applicable, the Valuation Date.

*Terms relating to Fallback Settlement Method only*

Valuation Date:

*Single Valuation Date:* any Business Day selected by Buyer, but not earlier than 30 Business Days after and not later than 75 Business Days after (i) the Auction Cancellation Date, (ii) the relevant No Auction Announcement Date or (iii) the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in Sections 1.24(a) and (b) of the Credit Derivatives Definitions, as applicable.

On the Valuation Date, the Calculation Agent shall commence determination of the Final Price using the Reference Obligations selected by it in respect of the relevant Reference Entity in respect of which such Valuation Date relates.

Valuation Time:

11:00 a.m. in the principal trading market for the Reference Obligation being valued or as determined by the Calculation Agent.

Quotation Method

Bid

Method for obtaining Quotations:

For purposes of determining the Final Price for a Reference Obligation, Section 7.7 of the Credit Derivative Definitions shall be deleted in its entirety and replaced with the following:

““Quotation” means each Full Quotation or the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

The Calculation Agent shall attempt to obtain Full Quotations on the Valuation Date from at least five Dealers; if at least two such Full Quotations are not available on the same Business Day within three Business Days of the Valuation Date, on the next following Business Day (and, if necessary, on each Business Day thereafter until the 15th Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from at least five Dealers and, if at least two Full Quotations are not available, a Weighted Average Quotation. If the Calculation Agent is unable to obtain at least two Full Quotations or a Weighted Average Quotation within such period, the Calculation Agent shall determine the Final Price in its sole and absolute discretion (which, for the avoidance of doubt, may be



zero).”.

Quotations: Exclude Accrued Interest.

All Quotations shall be requested in an amount equal to the outstanding principal balance of the relevant Reference Obligation unless, in the sole and absolute discretion of the Calculation Agent, such an amount would not result in a commercially reasonable determination, in which case, the relevant Quotation shall be requested in an amount selected by the Calculation Agent in its sole and absolute discretion (such amount, the “**Quotation Amount**”).

Notice of Reference Obligation(s) and Valuation Date: Not later than the close of business on the fifth Business Day prior to the Valuation Date selected by Buyer, Buyer agrees to deliver to Seller a written notice (a “**Notice of Reference Obligation**”) which specifies the Valuation Date and contains a detailed description of the Reference Obligation(s) that the Calculation Agent will use to determine the Final Price. Such Notice of Reference Obligations shall become irrevocable as at the fifth Business Day after such Valuation Date.

Valuation Method: Highest

## **7. Additional Amendments to Credit Derivative Definitions**

The parties agree that, for purposes of each swap transaction governed by this Confirmation only, the following amendments will be made to the Credit Derivative Definitions:

(a) *Successor*. Section 2.2(e) of the Credit Derivatives Definitions shall not apply. Where, pursuant to Section 2.2(a), one or more Successors have been identified in relation to a particular Reference Entity:

- (i) Each such Successor will be a Reference Entity (a “**Successor Reference Entity**”) for the purposes of this Credit Derivative Transaction (and, for the avoidance of doubt, the original Reference Entity shall cease to be a Reference Entity except where it is a Successor Reference Entity).
- (ii) The Reference Entity Notional Amount in respect of each such Successor Reference Entity shall be the Reference Entity Notional Amount in respect of the original Reference Entity divided by the total number of Successor Reference Entities.

- (iii) If, due to the application of Section 2.2 of the Definitions, a single entity would be a Reference Entity under this Swap Transaction more than once, then it will be deemed to be a Reference Entity only once hereunder, and the Reference Entity Notional Amount for such Reference Entity will be the sum of the Reference Entity Notional Amounts otherwise applicable to it.
- (b) *Certain Defined Terms.* Many of the requirements set out in the Fallback Settlement Method rely on provisions of the Credit Derivative Definitions intended for use in Swap Transactions for which the Settlement Method is Physical Settlement. Such terms shall be interpreted, for purposes of this Confirmation, in a manner consistent with the provisions for valuation set out above.

In furtherance of this intent, but without limitation, references in the Credit Derivative Definitions to “Deliverable Obligations” will be generally interpreted as references to “Reference Obligations”, references to “Delivery Date” will be generally interpreted as references to the “Valuation Date”, references to the “Notice of Physical Settlement” will generally be interpreted as references to the Notice of Reference Obligation and references to Physical Settlement as the applicable Fallback Settlement Method shall be generally interpreted as references to Cash Settlement as the Fallback Settlement Method.

## **8. ACCOUNT DETAILS**

Credit Suisse International: To be determined.

Argentum Capital S.A.: To be determined.

Please confirm that the foregoing correctly sets out the terms of our agreement by executing two copies of this Confirmation and returning one duly executed copy to us at your earliest convenience.

Yours faithfully

**Credit Suisse International**

By:

By:

Authorised Signatory

Authorised Signatory

Accepted and confirmed as  
of the date written above:

**Argentum Capital S.A.**

(acting in respect of its Compartment GAP 1924 - 1925 June 2014)

By: .....

Authorised Signatory

### Schedule – Reference Entities

<i>Reference Entity</i>	<i>Transaction Type</i>	<i>Reference Entity Notional Amount in respect of the Swap Transaction relating to the Class A Notes</i>	<i>Reference Entity Notional Amount in respect of the Swap Transaction relating to the Class B Notes</i>	<i>Seniority</i>	<i>ISIN</i>	<i>Primary Obligor</i>	<i>Guarantor</i>
The Goldman Sachs Group, Inc.	North American Corporate	SEK [●]	SEK [●]	Senior	US38141GFG47	Reference Entity	None
THE ROYAL BANK OF SCOTLAND PUBLIC LIMITED COMPANY	European Corporate	SEK [●]	SEK [●]	Senior	XS0235714804	Reference Entity	None
Societe Generale	European Corporate	SEK [●]	SEK [●]	Senior	XS0821220281	Reference Entity	None
COMMERZBANK Aktiengesellschaft	European Corporate	SEK [●]	SEK [●]	Senior	DE000CZ302M3	Reference Entity	None

## FORM OF THE EQUITY SWAP TRANSACTION CONFIRMATIONS

Credit Suisse International  
One Cabot Square  
London E14 4QJ  
United Kingdom  
(“Swap Counterparty”)

Argentum Capital SA  
51 Avenue J.-F. Kennedy  
L-1855 Luxembourg

(acting in respect of its Compartment GAP 1924 - 1925 June 2014)  
 (“Issuer”)

Attention: The Directors

Fax No:+352 27 61 62 2

[●] 2014

Dear Sirs

The purpose of this letter agreement is to set out the terms and conditions of the Swap Transaction entered into between us on the Trade Date specified below in respect of the Notes (as defined below) (the “**Swap Transaction**”). This Confirmation constitutes a “**Confirmation**” as referred to in the Agreement (as defined below).

Words and expressions used, but not otherwise defined herein (or in the 2006 Definitions), shall have the same meaning ascribed to them (or incorporated by reference) in the Issuer Terms of the Series 2014-31 Class [A/B] up to SEK 500,000,000 Secured Credit-Linked Notes due 2020 (the “**Notes**”).

The definitions and provisions contained in the 2006 ISDA Definitions (the “2006 Definitions”), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the 2006 Definitions and this Confirmation, this Confirmation will prevail.

### **1. Swap Agreement**

This Confirmation supplements, forms part of, and is subject to, the 2002 ISDA Master Agreement dated as of 11 July 2014 (as the same may be amended or supplemented from time to time, the “Agreement”) entered into between the Swap Counterparty and the Issuer by their execution of the Issue Deed dated 11 July 2014 between them and certain other persons for purposes including constituting and prescribing the Issue Terms of the Notes and activating the security provisions in the Trust Deed. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

The terms of the Swap Transaction to which this Confirmation relates are as follows:

### **2. General Terms**

Trade Date:	26 June 2014
Effective Date:	11 July 2014
Termination Date:	The Scheduled Maturity Date of the Notes

Calculation Agent:

Swap Counterparty.

This Swap Transaction references the Class [A/B] Attributable Warrants (the terms of which are annexed hereto). The Class [A/B] Attributable Warrants are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts that are payable under this Swap Transaction and do not represent or constitute any payment or other obligations of any person. In order that such amounts may be determined and calculated, the Calculation Agent shall be entitled to exercise all rights and shall perform all obligations (other than payment obligations, as mentioned above) of the issuer of the Class [A/B] Attributable Warrants, or any of its agents (including, without limitation, the delivery of notices (which, if required to be delivered to a holder of Class [A/B] Attributable Warrants, shall be given to the Issuer), the exercise of all discretions which may be made by the issuer of the Class [A/B] Attributable Warrants or any of its agents, and making all such determinations as are required to be, or which may be, made by the issuer of the Class [A/B] Attributable Warrants or any of its agents, in each case subject to and in accordance with the terms of the Class [A/B] Attributable Warrants. Any words and expressions used in this Confirmation which are not otherwise defined or incorporated by reference in this Confirmation shall have the meanings given to them in, or incorporated by reference in, the Class [A/B] Attributable Warrants.

Business Days:

Reference Business Days in respect of the Notes.

Initial Exchange:

Initial Exchange Date:

Issue Date of the Notes.

Issuer Initial Exchange Amount:

An amount equal to the aggregate Issue Price per Class [A/B] Attributable Warrant; provided that payment of the Issuer Initial Exchange Amount to the Swap Counterparty may be settled by the Issuer procuring that the Dealer shall settle such amount on its behalf (in accordance with arrangements agreed between the Dealer and the Swap Counterparty) in part consideration for the issue of the Notes by the Issuer to the Dealer on the Issue Date.

Final Exchange:

Final Exchange Date:

One Business Day immediately prior to the Termination Date.

Swap Counterparty Final Exchange Amount:

An amount equal to the aggregate Warrant Final Redemption Amount per Class [A/B] Warrant or, if applicable, an amount equal to any early redemption and/or other payment that would be payable on or prior to the Final Exchange Date under the terms of the Class [A/B] Attributable Warrants.

**3. Other Provisions**

Notwithstanding anything to the contrary in Section 6(e) of the Agreement, the Early Termination Amount with respect to this Swap Transaction (or, as the case may be, the portion of the Early Termination Amount attributable to this Swap Transaction) shall be equal to the market value of the Class [A/B] Attributable Warrants, as determined by the Calculation Agent in the same manner as set out in item (A) of paragraph 20 of the Issue Terms or, if the Class [A/B] Attributable Warrants would have redeemed on or prior to the relevant date of determination, an amount equal to the redemption proceeds thereof.

**4. Account Details**

Credit Suisse International: To be determined.

Argentum Capital S.A.: To be determined.

Please confirm that the foregoing correctly sets out the terms of our agreement by executing two copies of this Confirmation and returning one duly executed copy to us at your earliest convenience.

Yours faithfully

**Credit Suisse International**

By:

By:

Authorised Signatory

Authorised Signatory

Accepted and confirmed as of the date written above:

**Argentum Capital S.A.**

(acting in respect of its Compartment GAP 1924 - 1925 June 2014)

By: .....

Authorised Signatory

### **Annex – Terms of Class [A/B] Attributable Warrants**

*The terms of the relevant Class Attributable Warrants will be annexed to the relevant Equity Swap Transaction Confirmation. Noteholders should refer to the section of this Prospectus headed “Description of the Class Attributable Warrants” for a description of each of the Class Attributable Warrants.*



## DESCRIPTION OF CREDIT SUISSE INTERNATIONAL

### History, Development and Organisational Structure

Credit Suisse International (the “**Swap Counterparty**”) was incorporated in England and Wales under the Companies Act 1985, on 9 May 1990, with registered no. 2500199 and was re-registered as an unlimited company under the name “Credit Suisse Financial Products” on 6 July 1990, and was renamed Credit Suisse First Boston International on 27 March 2000 and Credit Suisse International on 16 January 2006.

The Swap Counterparty’s registered office and principal place of business is at One Cabot Square, London E14 4QJ, telephone number +44 (0)20 7888 8888.

The Swap Counterparty is an English bank regulated as an EU credit institution and operates under English law. It is authorised by the Prudential Regulation Authority (“**PRA**”) and regulated by the Financial Conduct Authority (“**FCA**”) and the PRA under the Financial Services and Markets Act 2000. The PRA has issued a scope of permission notice authorising the Swap Counterparty to carry out specified regulated investment activities.

The Swap Counterparty is an unlimited company and, as such, its shareholders have a joint, several and unlimited obligation to meet any insufficiency in the assets of the Swap Counterparty in the event of its liquidation. The joint, several and unlimited liability of the shareholders of the Swap Counterparty to meet any insufficiency in the assets of the Swap Counterparty will only apply upon liquidation of the Swap Counterparty. Therefore, prior to any liquidation of the Swap Counterparty, the creditors may only have recourse to the assets of the Swap Counterparty and not to those of its shareholders. The Swap Counterparty has securities admitted to trading on the Main Securities Market of the Irish Stock Exchange.

The Swap Counterparty has been issued a senior unsecured long-term debt rating of “A (Stable Outlook)” by Standard & Poor’s, a senior long-term debt rating of “A (Stable Outlook)” by Fitch and a senior long-term debt rating of “A1 (Stable Outlook)” by Moody’s Inc.

### Principal Activities and Principal Markets

The Swap Counterparty commenced business on 16 July 1990. Its principal business is banking, including the trading of derivative products linked to interest rates, foreign exchange, equities, commodities and credit. The primary objective of the Swap Counterparty is to provide comprehensive treasury and risk management derivative product services. The Swap Counterparty has established a significant presence in global derivative markets through offering a full range of derivative products and continues to develop new products in response to the needs of its customers and changes in underlying markets. The business is managed as a part of the Investment Banking Division of Credit Suisse AG in the Europe, Middle East and Africa region, and is supported by Credit Suisse AG’s Shared Services Division, which provides business support services in such areas as finance, legal, compliance, risk management, and information technology.

### Shareholders

Credit Suisse AG owns 80 per cent. and Credit Suisse Group AG owns 20 per cent. of the Swap Counterparty’s ordinary voting shares. The former shareholder Credit Suisse (International) Holding AG merged into Credit Suisse AG with Credit Suisse AG as the surviving entity, legally effective 30 June 2010. In accordance with Swiss law, Credit Suisse AG succeeded in the entire property of Credit Suisse (International) Holding AG as a result of the merger including Credit Suisse (International) Holding AG participations in Credit Suisse International. With respect to the Swap Counterparty’s participating non-voting shares, Credit Suisse AG owns 25.100 per cent., Credit Suisse Investments (UK), a wholly owned subsidiary of Credit Suisse AG, owns 24.288 per cent., Credit Suisse Group AG owns 2.412 per cent. and Credit Suisse PSL GmbH owns 48.200 per cent.

## Capital Structure

On 6 February 2012 the Swap Counterparty underwent a capital restructuring to enhance the quality of capital by increasing the common equity Tier 1 capital of the Swap Counterparty. This was the first of a number of actions designed to aid compliance with the upcoming capital requirements under Basel 3. A capital reduction of the Swap Counterparty's share capital was effected by a reduction in the nominal value of each Participating Share and each Ordinary Share from USD 1.00 to USD 0.10 and the cancellation of Class A Participating Shares. The reserve arising from the reduction of the Ordinary and Participating Shares and the cancellation of the Class A Participating Shares was credited to the Swap Counterparty's share premium account. This is an undistributable reserve and will count towards the Swap Counterparty's core tier 1 capital.

The Swap Counterparty repaid certain amounts of principal owed by it under certain subordinated debt agreements treated as Tier 2 debt to each of Credit Suisse First Boston Finance BV (“**CSF BV**”), Credit Suisse PSL GmbH (“**CS PSL**”) and Credit Suisse First Boston (Cayman) Limited (“**CS Cayman**”). The Swap Counterparty repaid the amount of Tier 2 debt due to CS PSL by applying it as subscription monies due to the Swap Counterparty in return for new Participating Shares. In the case of the CSF BV and CS Cayman debt agreements, an amount equivalent to the amount repaid was applied by Credit Suisse Investments (UK) (“**CSI UK**”) and CS PSL as subscription monies for new Participating Shares. The new Participating Shares issued in place of the debt will also count towards the Swap Counterparty's core Tier 1 capital.

The Swap Counterparty replaced each of the issued classes of Preference Shares (Class A, C, D, E, H, I, J, K) with Participating Shares. This was effected by a reduction of the nominal value of each of the Preference Shares to USD 0.000001 and then a reduction to zero and a cancellation of all classes of Preference Shares, with the reserves being credited to the Swap Counterparty's share premium account and then capitalised to pay up bonus issues of new Class B Participating Shares which were then converted into Participating Shares. The Swap Counterparty created the Class B Participating Shares to rank *pari passu* with and having the same rights and obligation as the existing class of Participating Shares in the capital of the Swap Counterparty for the purpose of the reduction and cancellation of the Preference Share classes. The subscriptions for the Class B Participating Shares which were subsequently converted into Participating Shares and the new Participating Shares were done at a price comprising nominal value plus premium, calculated on the basis of a fair value per share (Fair Value Price). The valuation of the Fair Value Price was carried out by Credit Suisse Treasury New York on 6 February 2012.

On 29 February 2012 the Swap Counterparty issued 555,555,555 Participating Shares of USD 0.10 each to Credit Suisse Investments (UK) for consideration of USD 500,000,000.

On 13 August 2012 the Swap Counterparty issued 48,769,195 Participating Shares of USD 0.10 each to Credit Suisse Group AG for consideration of USD 4,876,920; 507,435,457 Participating Shares of USD 0.10 each to Credit Suisse AG for consideration of USD 50,743,546; 974,436,803 Participating Shares of USD 0.10 each to Credit Suisse PSL GmbH for consideration of USD 97,443,680; and 491,017,064 Participating Shares of USD 0.10 each to Credit Suisse Investments (UK) for consideration of USD 49,101,706.

On 6 November 2012 the Swap Counterparty issued 361,850,396 Participating Shares of USD 0.10 each to Credit Suisse Group AG for consideration of USD 36,185,039.60; 3,764,993,831 Participating Shares of USD 0.10 each to Credit Suisse AG for consideration of USD 376,499,383.10; 7,229,980,682 Participating Shares of USD 0.10 each to Credit Suisse PSL GmbH for consideration of USD 722,998,068.20; and 3,643,175,091 Participating Shares of USD 0.10 each to Credit Suisse Investments (UK) for consideration of USD 364,317,509.10.

## **Financial Information**

Financial information relating to the Swap Counterparty is contained in its Annual Reports for the years ended 31 December 2011 and 31 December 2012 (the “**Swap Counterparty Annual Reports**”). Financial information in the Swap Counterparty Annual Reports has been audited. The Swap Counterparty’s Annual Reports are available to the public on the Credit Suisse Group AG website at: [www.credit-suisse.com/investment\\_banking/financial\\_regulatory/en/international.jsp](http://www.credit-suisse.com/investment_banking/financial_regulatory/en/international.jsp).

## **Auditors and Accounts**

The financial year of the Swap Counterparty is the calendar year. The Swap Counterparty's auditors are KPMG Audit Plc, whose address is One Canada Square, London E14 5AG. KPMG Audit Plc is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

## DESCRIPTION OF THE REFERENCE ENTITIES

### PART A: The Goldman Sachs Group Inc.

*The following information in this section has been extracted from the base prospectus of Goldman Sachs Group, Inc. dated 24 June 2013, as supplemented and amended from time to time (the “Goldman Sachs Group, Inc. Prospectus”) and is subject to and qualified entirely by the Goldman Sachs Group, Inc. Base Prospectus.*

Goldman Sachs Group, Inc. (“**Goldman Sachs**”) is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals.

Its activities are conducted in the following segments:

*Investment Banking.* Investment Banking is comprised of:

- *Financial Advisory*, which includes advisory assignments with respect to mergers and acquisitions, divestitures, corporate defence activities, risk management, restructurings and spin-offs; and

- *Underwriting*, which includes public offerings and private placements of a wide range of securities, loans and other financial instruments, and derivative transactions directly related to these client underwriting activities.

- *Institutional Client Services.* Institutional Client Services is comprised of:

- *Fixed Income, Currency and Commodities*, which includes client execution activities related to making markets in interest rate products, credit products, mortgages, currencies and commodities; and

- *Equities*, which includes client execution activities related to making markets in equity products, as well as commissions and fees from executing and clearing institutional client transactions on major stock, options and futures exchanges worldwide. Equities also includes Goldman Sachs’ securities services business, which provides financing, securities lending and other prime brokerage services to institutional clients, including hedge funds, mutual funds, pension funds and foundations, and generates revenues primarily in the form of interest rate spreads or fees, and revenues related to our insurance activities.

- *Investing and Lending* which includes Goldman Sachs’ investing activities and the origination of loans to provide financing to clients. These investments and loans are typically longer-term in nature. Goldman Sachs makes investments, directly and indirectly through funds that Goldman Sachs manage, in debt securities, loans, public and private equity securities, real estate, consolidated investment entities and power generation facilities.

- *Investment Management* which provides investment management services and offering investment products (primarily through separately managed accounts and commingled vehicles, such as mutual funds and private investment funds) across all major asset classes to a diverse set of institutional and individual clients. Investment Management also offers wealth advisory services, including portfolio management and financial counselling, and brokerage and other transaction services to high-net-worth individuals and families.

At the date of this Prospectus and as stated on Bloomberg page GS:US, Goldman Sachs Group, Inc. has securities listed on the New York Stock Exchange ([www.nyse.com](http://www.nyse.com)). Goldman Sachs Group Inc. may also have securities listed on other exchanges.

## PART B: The Royal Bank of Scotland plc

*The following information in this section has been extracted from the registration document of The Royal Bank of Scotland plc dated 7 March 2014, as supplemented and amended from time to time (the “Royal Bank of Scotland plc Registration Document”) and is subject to and qualified entirely by The Royal Bank of Scotland plc registration Document.*

The Royal bank of Scotland plc (“**RBS**”) is a public limited company incorporated in Scotland with registration number SC090312 and was incorporated under Scots law on 31 October 1984. RBS is a wholly-owned subsidiary of the Royal Bank of Scotland Group plc (“**RBSG**”) (RBSG together with its subsidiaries consolidated in accordance with International Financial Reporting Standards, the “**Group**”).

RBSG is the holding company of a large global banking and financial services group. Headquartered in Edinburgh, the Group operates in the United Kingdom, the United States and internationally through its principal subsidiaries, RBS and National Westminster Bank Plc (“**NatWest**”). Both RBS and NatWest are major United Kingdom clearing banks. Globally, the Group has a diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers.

At the date of this Prospectus and as stated on Bloomberg page RBS Corp, RBS has securities listed on the regulated market of the London Stock Exchange ([www.londonstockexchange.com](http://www.londonstockexchange.com)) and the Irish Stock Exchange ([www.ise.ie](http://www.ise.ie)). RBS may also have securities listed on other exchanges.

## PART C: Commerzbank Aktiengesellschaft

*The following information in this section has been extracted from the base prospectus of the COMMERZBANK Aktiengesellschaft dated 8 October 2013, as supplemented and amended from time to time (the “Commerzbank Base Prospectus”) and is subject to and qualified entirely by the Commerzbank Base Prospectus.*

Commerzbank Aktiengesellschaft (“**Commerzbank**”) was founded in Hamburg as "Commerz- und Disconto-Bank" in 1870. Following temporary decentralization, Commerzbank was re-established on 1 July 1958 after a re-merger of the successor institutions created as part of the post-war breakup in 1952.

Commerzbank’s registered office is Frankfurt am Main and its head office is at Kaiserstrasse 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany, Tel. +49-69-136-20. It is entered in the commercial register of the Local Court of Frankfurt am Main under the number HRB 32000. The Bank’s legal name is Commerzbank Aktiengesellschaft. In its business dealings, the Bank uses the name Commerzbank. The Bank was established under German law for an indefinite period.

In accordance with Article 2 of the Articles of Association, Commerzbank’s corporate purpose is to engage in banking transactions and to offer all types of financial services and other related services and transactions, including acquiring, holding and disposing of interests in other entities. The Bank may realize its corporate purpose itself, through affiliated companies and equity participations or through the conclusion of affiliation and cooperation agreements with third parties. It is entitled to have recourse to all transactions and measures which are suitable for promoting its corporate purpose, in particular the establishment of branches in Germany and abroad and the acquisition, management and disposal of interests in other enterprises.

Commerzbank’s financial year is the calendar year.

Based on total assets as of 30 June 2013, Commerzbank Group believes that it is the second largest bank in Germany. At present it has approximately 1,200 branches, one of the most extensive branch networks of all private German banks, serving customers from every customer group. The focus of its activities is on the provision of a wide range of financial services to private, small and medium-sized corporate and institutional customers in Germany, including account administration, payment transactions, lending, savings and investment products, securities services, and capital market and investment banking products and services. As part of its comprehensive financial services strategy, the Group also offers other financial services in association with cooperation partners, particularly building savings loans, asset management and insurance. The Group is continuing to expand its position as one of the most important German export financiers. Alongside its business in Germany, the Group is also active through its subsidiaries, branches and investments, particularly in Europe. Outside of Germany, the Commerzbank is also represented through 23 operational foreign branches, 35 representative offices and seven significant subsidiaries in 53 countries as of 30 June 2013. As of 30 June 2013, Commerzbank employed a total of 53,543 employees, 41,653 of which are in Germany and 11,890 of which are abroad.

At the date of this Prospectus and as stated on Bloomberg page CMZB Corp, Commerzbank has securities listed on the regulated market of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Commerzbank may also have securities listed on other exchanges.

## PART D: Société Générale S.A.

*The following information in this section has been extracted from the base prospectus of Société Générale S.A. dated 29 April 2013, as supplemented and amended from time to time (the “Société Générale S.A. Base Prospectus”) and is subject to and qualified entirely by the Société Générale S.A. Base Prospectus.*

Société Générale S.A. (“**Société Générale**”), was originally incorporated on May 4, 1864 as a joint-stock company and authorized as a bank. It is currently registered in France as a French limited liability company (société anonyme). Société Générale was nationalized along with other major French commercial banks in 1945. In July 1987, Société Générale was privatized through share offerings in France and abroad. Société Générale is governed by Articles L.210-1 et seq. of the French Commercial Code (Code de commerce) as a French public limited company and by other rules and regulations applicable to credit institutions and investment service providers.

Société Générale is registered in the French Commercial Register (*Registre du commerce et des sociétés*) under no. 552 120 222 R.C.S. Paris. Société Générale’s head office is 29, boulevard Haussmann, 75009 Paris, France. Its administrative offices are at Tour Societe Generale, 17 Cours Valmy, 92972 Paris-La Défense, France. Its telephone number is +33 (0)1 42 14 20 00.

Société Générale’s shares are listed on the regulated market of NYSE Euronext in Paris (deferred settlement market, continuous trading group A, share code 13080). They are also traded in the United States under an American Depositary Receipt (ADR) program.

The Société Générale Group is an international banking and financial services group based in France. It includes numerous French and foreign banking and non-banking companies.

The Société Générale Group is organized into five divisions: French Networks, International Retail Banking, Specialized Finance Services & Insurance, Global Investment Management and Services, and Corporate and Investment Banking.

The Société Générale Group is engaged in a broad range of banking and financial services activities, including retail banking, deposit taking, lending and leasing, asset management, securities brokerage services, investment banking, capital markets activities and foreign exchange transactions. The Group also holds (for investment) minority interests in certain industrial and commercial companies. The Group’s customers are served by its extensive network of domestic and international branches, agencies and other offices in 77 foreign countries. The Société Générale Group has had operations in the United States since 1940 and maintains banking offices in New York, Chicago, Dallas and Houston. The Société Générale Group also conducts asset management, brokerage, corporate and investment banking, and private banking activities in the United States through a number of subsidiaries.

At the date of this Prospectus and as stated on Bloomberg page SOCGEN Corp, Société Générale S.A. has securities listed on the regulated market of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Société Générale S.A. may also have securities listed on other exchanges.

## **DESCRIPTION OF THE REFERENCE OBLIGATIONS**

### **PART A: In respect of The Goldman Sachs Group, Inc.**

USD3,200,000,000 5.95 per cent. fixed rate notes due 2018 issued by The Goldman Sachs Group, Inc.  
(ISIN: US38141GFG47)

### **PART B: In respect of The Royal Bank of Scotland plc**

EUR50,000,000 fixed rate to index linked interest notes due 2020 issued by The Royal Bank of Scotland plc  
(ISIN: XS0235714804)

### **PART C: In respect of Commerzbank Aktiengesellschaft**

EUR1,000,000,000 4.00 per cent. fixed rate notes due 2020 issued by Commerzbank Aktiengesellschaft  
(ISIN: DE000CZ302M3)

### **PART D: In respect of Société Générale**

**EUR1,000,000,000 2.375 per cent. fixed rate notes due 2018 issued by Société Générale (ISIN:  
XS0821220281)**



## DESCRIPTION OF THE CLASS ATTRIBUTABLE WARRANTS

The following description of the Class A Attributable Warrants and the Class B Attributable Warrants is a summary only of certain provisions of the Class A Attributable Warrants and Class B Attributable Warrants respectively.

### PART A: CLASS A ATTRIBUTABLE WARRANTS

#### Overview

The Class A Attributable Warrants are equity and foreign exchange linked securities. They are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts payable under the Class A Equity Swap Transaction and shall be deemed to have been issued by Credit Suisse International under the Warrant Base Prospectus described under “*Risk Factors – The Warrants*” above. The Class A Attributable Warrants do not represent or constitute any payment or other obligations of Credit Suisse International or any other person and the following description of the Class A Attributable Warrants must be construed accordingly. The Issuer and therefore (indirectly) the holders of the Class A Notes are exposed to the performance of the Swap Counterparty under the Class A Equity Swap Transaction because the Swap Counterparty is obliged to pay the Issuer amounts equal to amounts which would have been payable under the Class A Attributable Warrants had they already been in issue.

The payout upon settlement of the Class A Attributable Warrants depends on the performance of the basket of shares specified in respect of the Class A Attributable Warrants together with the EUR/SEK foreign exchange rate, and is subject to certain adjustments, conditions and events as set out in summary below and in the section of this Prospectus entitled “*Risk Factors*”, and fully set out in the Warrants Base Prospectus.

The performance of the Class A Attributable Warrants will be a component in determining the portion of the Additional Payout Amount, if any, payable on the Maturity Date in respect of each Class A Note.

In other words, the performance of the Class A Attributable Warrants shall, in part, determine whether any amount, in excess of 100% of the Outstanding Principal Amount of each Class A Note, is payable on the Maturity Date in respect of such Class A Note.

#### Summary of terms of the Class A Attributable Warrants as at the date of the Prospectus

**Class A Attributable Warrants Issuer:**

Credit Suisse International

**Type of Warrants:**

Equity-linked.

**Exercise Style:**

European Style.

**Share Basket:**

Underlying Asset <sub>i</sub>	Bloomberg Ticker	Exchange(s)
Swisscom AG	SCMN VX Equity	SIX Swiss Ex
Royal Dutch Shell PLC	RDSA NA Equity	EN Amsterdam
Nestle SA	NESN VX Equity	SIX Swiss Ex
Novartis AG	NOVN VX Equity	SIX Swiss Ex
National Grid PLC	NG/ LN Equity	London

Total SA	FP FP Equity	EN Paris
BASF SE	BAS GY Equity	Xetra
Zurich Insurance Group AG	ZURN VX Equity	SIX Swiss EX
GlaxoSmithKline PLC	GSK LN Equity	London
Deutsche Telekom AG	DTE GY Equity	Xetra

**Number of Class A  
Attributable Warrants being  
issued:**

5,000 (indicative)

**Trade Date:**

26 June 2014

**Initial Setting Date:**

30 June 2014, or if such day is not a Scheduled Trading Day (as defined in the Warrants Base Prospectus) under the terms of the Warrants then the Initial Setting Date shall be the next following day that is a Scheduled Trading Day, subject to the disruption and adjustment provisions applicable under the terms of the Warrants.

**Issue Date:**

8 Business Days immediately following the Trade Date

**Warrant Final Valuation  
Date/Expiration Date:**

The last occurring Averaging Date.

**Warrant Final Redemption  
Date:**

Ten (10) Business Days following the Warrant Final Valuation Date or the latest Warrant Final Valuation Date if the original Warrant Final Valuation Date is not a Scheduled Trading Date.

**Averaging Dates:**

The 18th calendar day of each month from and including 18 March 2019 up to and including 18 March 2020 (13 Averaging Dates in total). If any such day is not a Scheduled Trading Day (as defined in the Warrants Base Prospectus) then the relevant Averaging Date shall be the next following day that is a Scheduled Trading Day, subject to the disruption and adjustment provisions applicable under the terms of the Warrants.

**Settlement Currency:**

Swedish Krona ("SEK")

**Notional Amount per Class  
A Attributable Warrant :**

SEK 10,000

**Participation:**

125% (indicative) but, in any event not lower than 100%

**Issue Price per Class A  
Attributable Warrant:**

100%

**Warrant Final Redemption  
Amount per Class A  
Attributable Warrant:**

The Warrant Final Redemption Amount per Warrant shall be an amount in SEK paid by Credit Suisse International, as issuer of the Class A Attributable Warrants on the Warrant Final Redemption Date and determined by the Calculation Agent in respect of the Class A Attributable Warrants in accordance with the following formula:

Notional Amount per Warrant x Participation x Max {0, Underlying Asset Return} x FX Factor

Where:

“Underlying Asset Return” is

$$\frac{1}{10} \sum_{i=1}^{10} \frac{FinalLevel_i}{InitialLevel_i} - 100\%$$

“Final Level<sub>i</sub>” is the arithmetic average of the official closing price of Underlying Asset<sub>i</sub> on each Averaging Date.

“FX Factor” is :  $\frac{EURSEK_T}{EURSEK_0}$

“FX Rate” means the daily fixing rate of exchange of SEK per EUR 1 (rounded to four decimal places), as published on Reuters page ECB37 at 14:15 CET, or such successor page or rate, or if any such rate is not available such other rate as selected or determined by the Calculation Agent.

“Initial Level<sub>i</sub>” is the arithmetic average of the official closing price of Underlying Asset<sub>i</sub> on the Initial Setting Date.

“EURSEK<sub>0</sub>” means the rate of exchange of SEK per EUR 1, as determined by the Calculation Agent by reference to the FX Rate on the day preceding the Initial Setting Date, subject to the FX Disruption provisions provided for in the terms of the Warrants.

“EURSEK<sub>T</sub>” means the rate of exchange of SEK per EUR 1, as determined by the Calculation Agent by reference to the FX Rate on the Business Day following the Warrant Final Valuation Date, subject to the FX Disruption provisions provided for in the terms of the Warrants.

“EUR” means Euro.

<b>Business Day:</b>	London, TARGET Settlement Day and Stockholm.
<b>Listing:</b>	None.
<b>Clearing:</b>	Euroclear / Clearstream.
<b>Method of Syndication:</b>	Non-syndicated
<b>Form:</b>	Registered Global Security
<b>Calculation Agent:</b>	Credit Suisse International
<b>Governing law:</b>	English law.

#### **Basket of Underlying Assets**

The values of each of the Underlying Asset shares referenced in the Class A Attributable Warrants may go down as well as up and such fluctuations will affect, including negatively, the amount payable on settlement of the Class A Attributable Warrants.

Furthermore, the terms of the Class A Attributable Warrants provide that, upon the occurrence of certain events in respect of the shares and their issuers referenced in Class A Attributable Warrants, (including a merger events, a tender offer, a nationalisation, a delisting and an insolvency) the identity of the referenced Underlying Asset shares and their issuers may change and/or their value be recalculated and/or be affected as set out in the Warrants Base Prospectus and described, in summary, in the section of this Prospectus entitled “*Risk Factors*”.

### **Issue Price**

The indicative Issue Price per Warrant is 100% in respect of the Class A Attributable Warrants.

The Warrant Final Redemption Amount, if any, payable in respect of each Class A Attributable Warrant as determined on the Warrant Final Valuation Date is calculated by reference to the Notional Amount of each such Class A Attributable Warrant rather than by reference to the Issue Price of such Class A Attributable Warrant.

### **Disruption and Adjustments**

The Class A Attributable Warrants are subject to certain provisions in respect of a Potential Adjustment Event, a Market Disruption Event, an Extraordinary Event (which means, in respect of a share, a Merger Event, a Tender Offer, a Nationalisation, a Delisting or an Insolvency) and/or a Jurisdiction Event in respect of the Underlying Asset shares, each as defined in the Warrants Base Prospectus and certain risks in respect of which are outlined in the section of this Prospectus entitled “*Risk Factors*”.

In addition, the Class A Attributable Warrants may also be subject to the following Additional Disruption Events:

- (i) Change in Law;
- (ii) Foreign Ownership Event;
- (iii) FX Disruption;
- (iv) Insolvency Filing;
- (v) Hedging Disruption;
- (vi) Increased Cost of Hedging;
- (vii) Loss of Stock Borrow; and/or
- (viii) Increased Cost of Stock Borrow.

The occurrence of any of these Additional Disruption Events may also have consequences for the Class A Attributable Warrants as outlined in the section of this Prospectus entitled “*Risk Factors*”.

Under the terms of the Class A Attributable Warrants:

“**Change in Law**” means that, on or after the Trade Date in respect of the Class A Attributable Warrants (i) due to the adoption of or any change (including a future change) in any applicable law or regulation (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange (an “**Applicable Regulation**”); or (ii) due to the promulgation of or any change (including a future 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 issuer of the Class A Attributable Warrants determines that (A) it

has become illegal to hold, acquire or dispose of any shares or position(s) or transaction(s) or other asset(s) that Credit Suisse International as issuer of the Class A Attributable Warrants and/or any of its affiliates deems necessary or desirable to hedge the equity or other price risk of Credit Suisse International (as issuer of the Class A Attributable Warrants) in connection with the Class A Attributable Warrants; and/or (B) Credit Suisse International as issuer of the Class A Attributable Warrants will incur a materially increased cost in performing its obligations in relation to the Class A Attributable Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**“Foreign Ownership Event”** means that, on or after the Trade Date in respect of the Class A Attributable Warrants, Credit Suisse as issuer of the Class A Attributable Warrants and/or any of its affiliates is unable, after using commercially reasonable efforts to acquire, establish, re-establish, substitute or maintain any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Class A Attributable Warrants due to any restriction imposed by the issuer of the relevant Underlying Asset shares, any court, tribunal or regulatory authority with competent jurisdiction on the ability of a person to acquire or own the relevant Underlying Asset shares, by virtue of being a foreign person. If both Change in Law and Foreign Ownership Event are specified to be applicable in the relevant terms and conditions of the Class A Attributable Warrants, where an event or circumstance that would otherwise (but for this provision) constitute a Foreign Ownership Event also constitutes a Change in Law, such event shall be deemed to be a Change in Law and shall not constitute a Foreign Ownership Event.

**“FX Disruption”** means the occurrence any event after the Trade Date in respect of the Class A Attributable Warrants that makes Credit Suisse International (as issuer of the Class A Attributable Warrants) and/or its affiliates, unable, after using commercially reasonable efforts to: (i) transfer through customary legal channels any amount denominated in the relevant currency of an Underlying Asset share (a **“Relevant Currency”**) required for the acquisition, establishment, reestablishment, substitution, maintenance, unwind or disposal of all or part of an transaction that is deemed necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Class A Attributable Warrants (such transaction, an **“FX Disruption Hedge”**) from accounts (A) within the jurisdiction in which the exchange for the relevant Underlying Asset share is located to (X) accounts outside such jurisdiction, (Y) other accounts within such jurisdiction, or (Z) the accounts of a non-resident of such jurisdiction, or (B) outside such jurisdiction to accounts within such jurisdiction; or (ii) convert through customary legal channels any amount denominated in a Relevant Currency required for the acquisition, establishment, reestablishment, substitution, maintenance, unwind or disposal of all or part of an FX Disruption Hedge into any other Relevant Currency, where such conversion is at a rate at least as favourable as the rate for domestic institutions located in the jurisdiction in which the exchange for the relevant Underlying Asset share is located; or (iii) obtain a rate or a commercially reasonable rate (as determined by Credit Suisse International as issuer of the Class A Attributable Warrants), in each case, at which any amount denominated in a Relevant Currency required for the acquisition, establishment, re-establishment, substitution, maintenance, unwind or disposal of all or part of an FX Disruption Hedge can be exchanged for any other Relevant Currency.

**“Insolvency Filing”** means that an issuer of an Underlying Asset share referenced in the Class A Attributable Warrants institutes or has 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 such issuer of such Underlying Asset share shall not be deemed an Insolvency Filing.

**“Hedging Disruption”** means that Credit Suisse International as issuer of the Class A Attributable Warrants and/or any of its affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of Credit Suisse International as issuer of the Class A Attributable Warrants

entering into and performing its obligations with respect to the Class A Attributable Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**“Increased Cost of Hedging”** means that Credit Suisse International as issuer of the Class A Attributable Warrants and/or any of its affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date in respect of the Class A Attributable Warrants) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) 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 Credit Suisse International as issuer of the Class A Attributable Warrants entering into and performing its obligations with respect to the Class A Attributable Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of Credit Suisse International as issuer of the Class A Attributable Warrants and/or any of its affiliates shall not be deemed an Increased Cost of Hedging.

**“Loss of Stock Borrow”** means that Credit Suisse International as issuer of the Class A Attributable Warrants and/or any of its affiliates is unable after using commercially reasonable efforts, to borrow (or maintain a borrowing of) the Underlying Asset shares with respect to the Class A Attributable Warrants in an amount equal to the relevant number of Underlying Asset shares that the Credit Suisse International as issuer of the Class A Attributable Warrants (and/or its affiliates) deems it necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Class A Attributable Warrants at a rate equal to or less than the maximum stock loan rate so specified in the terms and conditions of such Class A Attributable Warrants.

**“Increased Cost of Stock Borrow”** means that Credit Suisse International as issuer of the Class A Attributable Warrants and/or any of its affiliates would incur a rate to borrow the Underlying Asset shares with respect to the Class A Attributable Warrants that is greater than the initial stock loan rate so specified in the terms and conditions of such Class A Attributable Warrants.

## PART B: CLASS B ATTRIBUTABLE WARRANTS

### Overview

The Class B Attributable Warrants are equity and foreign exchange linked securities. They are hypothetical instruments deemed to be in existence solely for the purpose of determining certain amounts payable under the Class B Equity Swap Transaction and shall be deemed to have been issued by Credit Suisse International under the Warrant Base Prospectus described under “*Risk Factors – The Warrants*” above. The Class B Attributable Warrants do not represent or constitute any payment or other obligations of Credit Suisse International or any other person and the following description of the Class B Attributable Warrants must be construed accordingly. The Issuer and therefore (indirectly) the holders of the Class B Notes are exposed to the performance of the Swap Counterparty under the Class B Equity Swap Transaction because the Swap Counterparty is obliged to pay the Issuer amounts equal to amounts which would have been payable under the Class B Attributable Warrants had they already been in issue.

The payout upon settlement of the Class B Attributable Warrants depends on the performance of the basket of shares specified in respect of the Class B Attributable Warrants together with the EUR/SEK foreign exchange rate, and is subject to certain adjustments, conditions and events as set out in summary below and in the section of this Prospectus entitled “*Risk Factors*”, and fully set out in the Warrants Base Prospectus.

The performance of the Class B Attributable Warrants will be a component in determining the portion of the Additional Payout Amount, if any, payable on the Maturity Date in respect of each Class B Note.

In other words, the performance of the Class B Attributable Warrants shall, in part, determine whether any amount, in excess of 100% of the Outstanding Principal Amount of each Class B Note, is payable on the Maturity Date in respect of such Class B Note.

### Summary of terms of the Class B Attributable Warrants as at the date of the Prospectus

#### Class B Attributable

**Warrants Issuer:** Credit Suisse International

**Type of Warrants:** Equity-linked.

**Exercise Style:** European Style.

#### Share Basket:

Underlying Asset <sub>i</sub>	Bloomberg Ticker	Exchange(s)
Total SA	FP FP Equity	EN Paris
Skanska AB	SKAB SS Equity	Stockholm
Hennes & Mauritz AB	HMB SS Equity	Stockholm
Takeda Pharmaceutical Co. LTD	4502 JT Equity	Tokyo
Siemens AG	SIE GY Equity	Xetra
Kimberly-Clark Corp	KMB UN Equity	New York
General Mills Inc	GIS UN	New York

Unilever NV	Equity UNA NA	EN Amsterdam
McDonald's Corp	Equity MCD UN	New York
Nestle SA	Equity NESN VX	SIX Swiss Ex
	Equity	

**Number of Class B Attributable Warrants being issued:** 5,000 (indicative)

**Trade Date:** 26 June 2014

**Initial Setting Date:** 30 June 2014, or if such day is not a Scheduled Trading Day (as defined in the Warrants Base Prospectus) under the terms of the Warrants then the Initial Setting Date shall be the next following day that is a Scheduled Trading Day, subject to the disruption and adjustment provisions applicable under the terms of the Warrants.

**Issue Date:** 8 Business Days immediately following the Trade Date

**Warrant Final Valuation Date / Expiration Date:** The last occurring Averaging Date.

**Warrant Final Redemption Date:** Ten (10) Business Days following the Warrant Final Valuation Date or the latest Warrant Final Valuation Date if the original Warrant Final Valuation Date is not a Scheduled Trading Date.

**Averaging Dates:** The 18<sup>th</sup> calendar day of each month from and including 18 March 2019 up to and including 18 March 2020 (13 Averaging Dates in total). If any such day is not a Scheduled Trading Day (as defined in the Warrants Base Prospectus) then the relevant Averaging Date shall be the next following day that is a Scheduled Trading Day, subject to the disruption and adjustment provisions applicable under the terms of the Warrants.

**Settlement Currency:** Swedish Krona ("SEK")

**Notional Amount per Class B Attributable Warrant :** SEK 10,000

**Participation:** 100% (indicative) but, in any event not lower than 80%

**Issue Price per Class B Attributable Warrant:** 100%

**Warrant Final Redemption Amount per Class B Attributable Warrant:** The Warrant Final Redemption Amount per Warrant shall be an amount in SEK paid by Credit Suisse International, as issuer of the Class B Attributable Warrants on the Warrant Final Redemption Date and determined by the Calculation Agent in respect of the Class B Attributable Warrants in accordance with the following formula:

$$\text{Notional Amount per Warrant} \times \text{Participation} \times \text{Max}\{0, \text{Underlying Asset Return}\} \times \text{FX Factor}$$

Where:



“Underlying Asset Return” is

$$\frac{1}{10} \sum_{i=1}^{10} \frac{FinalLevel_i}{InitialLevel_i} - 100\%$$

“Final Level<sub>i</sub>” is the arithmetic average of the official closing price of Underlying Asset<sub>i</sub> on each Averaging Date.

“FX Factor” is :  $\frac{USDSEK_T}{USDSEK_0}$

“FX Rate” means the daily fixing rate of exchange of SEK per EUR1 divided by the daily fixing rate of exchange of USD 1 per EUR 1 rounded to four decimal places, both such rates as published on Reuters page ECB37 at 14:15 CET, or such successor page or rate, or if any such rate is not available such other rate as selected or determined by the Calculation Agent.

“Initial Level<sub>i</sub>” is the arithmetic average of the official closing price of Underlying Asset<sub>i</sub> on the Initial Setting Date.

“USDSEK<sub>0</sub>” means the rate of exchange of SEK per USD 1, as determined by the Calculation Agent by reference to the FX Rate on the day preceding the Initial Setting Date, subject to the FX Disruption provisions provided for in the terms of the Warrants.

“USDSEK<sub>T</sub>” means the rate of exchange of SEK per USD 1, as determined by the Calculation Agent by reference to the FX Rate on the Business Day following the Warrant Final Valuation Date, subject to the FX Disruption provisions provided for in the terms of the Warrants.

“EUR” means euro

“USD” means United States dollar.

<b>Business Day:</b>	London, TARGET Settlement Day and Stockholm.
<b>Listing:</b>	None.
<b>Clearing:</b>	Euroclear / Clearstream.
<b>Method of Syndication:</b>	Non-syndicated
<b>Form:</b>	Registered Global Security
<b>Calculation Agent:</b>	Credit Suisse International
<b>Governing law:</b>	English law.

## **Basket of Underlying Assets**

The values of each of the Underlying Asset shares referenced in the Class B Attributable Warrants may go down as well as up and such fluctuations will affect, including negatively, the amount payable on settlement of the Class B Attributable Warrants.

Furthermore, the terms of the Class B Attributable Warrants provide that, upon the occurrence of certain events in respect of the shares and their issuers referenced in Class B Attributable Warrants, (including a merger events, a tender offer, a nationalisation, a delisting and an insolvency) the identity of the referenced Underlying Asset shares and their issuers may change and/or their value be recalculated and/or be affected as set out in the Warrants Base Prospectus and described, in summary, in the section of this Prospectus entitled “*Risk Factors*”.

## **Issue Price**

The indicative Issue Price per Warrant is 100% in respect of the Class B Attributable Warrants.

The Warrant Final Redemption Amount, if any, payable in respect of each Class B Attributable Warrant as determined on the Warrant Final Valuation Date is calculated by reference to the Notional Amount of each such Class B Attributable Warrant rather than by reference to the Issue Price of such Class B Attributable Warrant.

## **Disruption and Adjustments**

The Class B Attributable Warrants are subject to certain provisions in respect of a Potential Adjustment Event, a Market Disruption Event, an Extraordinary Event (which means, in respect of a share, a Merger Event, a Tender Offer, a Nationalisation, a Delisting or an Insolvency) and/or a Jurisdiction Event in respect of the Underlying Asset shares, each as defined in the Warrants Base Prospectus and certain risks in respect of which are outlined in the section of this Prospectus entitled “*Risk Factors*”.

In addition, the Class B Attributable Warrants may also be subject to the following Additional Disruption Events:

- (i) Change in Law;
- (ii) Foreign Ownership Event;
- (iii) FX Disruption;
- (iv) Insolvency Filing;
- (v) Hedging Disruption;
- (vi) Increased Cost of Hedging;
- (vii) Loss of Stock Borrow; and/or
- (viii) Increased Cost of Stock Borrow.

The occurrence of any of these Additional Disruption Events may also have consequences for the Class B Attributable Warrants as outlined in the section of this Prospectus entitled “*Risk Factors*”.

Under the terms of the Class B Attributable Warrants:

“**Change in Law**” means that, on or after the Trade Date in respect of the Class B Attributable Warrants (i) due to the adoption of or any change (including a future change) in any applicable law or regulation (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange (an “**Applicable Regulation**”); or (ii) due to the promulgation of or any change (including a future 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 issuer of the Class B Attributable Warrants determines that (A) it has become illegal to hold, acquire or dispose of any shares or position(s) or transaction(s) or other asset(s) that Credit Suisse International as issuer of the Class B Attributable Warrants and/or any of its affiliates deems necessary or desirable to hedge the equity or other price risk of Credit Suisse International (as issuer of the Class B Attributable Warrants) in connection with the Class B Attributable Warrants; and/or (B) Credit Suisse International as issuer of the Class B Attributable Warrants will incur a materially increased cost in performing its obligations in relation to the Class B Attributable Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

“**Foreign Ownership Event**” means that, on or after the Trade Date in respect of the Class B Attributable Warrants, Credit Suisse as issuer of the Class B Attributable Warrants and/or any of its affiliates is unable, after using commercially reasonable efforts to acquire, establish, re-establish, substitute or maintain any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Class B Attributable Warrants due to any restriction imposed by the issuer of the relevant Underlying Asset shares, any court, tribunal or regulatory authority with competent jurisdiction on the ability of a person to acquire or own the relevant Underlying Asset shares, by virtue of being a foreign person. If both Change in Law and Foreign Ownership Event are specified to be applicable in the relevant terms and conditions of the Class B Attributable Warrants, where an event or circumstance that would otherwise (but for this provision) constitute a Foreign Ownership Event also constitutes a Change in Law, such event shall be deemed to be a Change in Law and shall not constitute a Foreign Ownership Event.

“**FX Disruption**” means the occurrence any event after the Trade Date in respect of the Class B Attributable Warrants that makes Credit Suisse International (as issuer of the Class B Attributable Warrants) and/or its affiliates, unable, after using commercially reasonable efforts to: (i) transfer through customary legal channels any amount denominated in the relevant currency of an Underlying Asset share (a “**Relevant Currency**”) required for the acquisition, establishment, reestablishment, substitution, maintenance, unwind or disposal of all or part of an transaction that is deemed necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Class B Attributable Warrants (such transaction, an “**FX Disruption Hedge**”) from accounts (A) within the jurisdiction in which the exchange for the relevant Underlying Asset share is located to (X) accounts outside such jurisdiction, (Y) other accounts within such jurisdiction, or (Z) the accounts of a non-resident of such jurisdiction, or (B) outside such jurisdiction to accounts within such jurisdiction; or (ii) convert through customary legal channels any amount denominated in a Relevant Currency required for the acquisition, establishment, reestablishment, substitution, maintenance, unwind or disposal of all or part of an FX Disruption Hedge into any other Relevant Currency, where such conversion is at a rate at least as favourable as the rate for domestic institutions located in the jurisdiction in which the exchange for the relevant Underlying Asset share is located; or (iii) obtain a rate or a commercially reasonable rate (as determined by Credit Suisse International as issuer of the Class B Attributable Warrants), in each case, at which any amount denominated in a Relevant Currency required for the acquisition, establishment, re-establishment, substitution, maintenance, unwind or disposal of all or part of an FX Disruption Hedge can be exchanged for any other Relevant Currency.

“**Insolvency Filing**” means that an issuer of an Underlying Asset share referenced in the Class B Attributable Warrants institutes or has 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 such issuer of such Underlying Asset share shall not be deemed an Insolvency Filing.

**“Hedging Disruption”** means that Credit Suisse International as issuer of the Class B Attributable Warrants and/or any of its affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of Credit Suisse International as issuer of the Class B Attributable Warrants entering into and performing its obligations with respect to the Class B Attributable Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**“Increased Cost of Hedging”** means that Credit Suisse International as issuer of the Class B Attributable Warrants and/or any of its affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date in respect of the Class B Attributable Warrants) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) 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 Credit Suisse International as issuer of the Class B Attributable Warrants entering into and performing its obligations with respect to the Class B Attributable Warrants, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of Credit Suisse International as issuer of the Class B Attributable Warrants and/or any of its affiliates shall not be deemed an Increased Cost of Hedging.

**“Loss of Stock Borrow”** means that Credit Suisse International as issuer of the Class B Attributable Warrants and/or any of its affiliates is unable after using commercially reasonable efforts, to borrow (or maintain a borrowing of) the Underlying Asset shares with respect to the Class B Attributable Warrants in an amount equal to the relevant number of Underlying Asset shares that the Credit Suisse International as issuer of the Class B Attributable Warrants (and/or its affiliates) deems it necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Class B Attributable Warrants at a rate equal to or less than the maximum stock loan rate so specified in the terms and conditions of such Class B Attributable Warrants.

**“Increased Cost of Stock Borrow”** means that Credit Suisse International as issuer of the Class B Attributable Warrants and/or any of its affiliates would incur a rate to borrow the Underlying Asset shares with respect to the Class B Attributable Warrants that is greater than the initial stock loan rate so specified in the terms and conditions of such Class B Attributable Warrants.

## LUXEMBOURG TAXATION

*The following summary is of a general nature only. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.*

### **Taxation of the Issuer**

The Company will be considered a fiscal resident of Luxembourg both for purposes of Luxembourg domestic tax law and for purposes of the tax treaties entered into by Luxembourg and should therefore be able to obtain a residence certificate from the Luxembourg tax authorities.

The Company will be liable for Luxembourg corporation taxes. The standard applicable rate in Luxembourg city, including corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*) and solidarity taxes, is 29.22 per cent. for the fiscal year ending 31 December 2014.

Liability for such corporation taxes extends to the Company's worldwide profits including capital gains, subject to the provisions of any relevant double taxation treaty. The taxable income of the Company is computed by application of all rules of the Luxembourg income tax law of 4 December 1967, as amended (*loi concernant l'impôt sur le revenu*), as commented and currently applied by the Luxembourg tax authorities.

Under certain conditions, dividends received by the Company from qualifying participations and capital gains realised by the Company on the sale of qualifying participations may be exempt from Luxembourg corporation taxes under the Luxembourg participation exemption. The Company may further deduct from its taxable profits interest payments made to Noteholders. For tax purposes, payments made by the Issuer or the Company (as appropriate) to Noteholders are always treated as interest.

A fixed registration duty (*droit fixe spécifique d'enregistrement*) of EUR75 is payable at the moment of the amendment of the Articles. The transfer or sale of securities of the Issuer or the Company (as appropriate) will not be subject to Luxembourg registration or stamp duty.

The Company will be exempt from wealth tax (*impôt sur la fortune*).

### **Taxation of the Noteholders**

#### **Withholding tax**

##### **(i) Non-resident Noteholders**

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

Under the Laws implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a

residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 35 per cent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes are currently subject to withholding tax of 35 per cent. The Luxembourg government has announced its intention to elect out of the withholding system in favour of an automatic exchange of information with effect as from 1 January 2015.

(ii) **Resident Noteholders**

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

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10 per cent.

Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

**Income Taxation**

A Noteholder who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Notes are attributable, is subject to Luxembourg income tax in respect of the interest paid or accrued on, or any other income derived from, the Notes. An individual Noteholder, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest or any other income received, except if withholding tax has been levied on such payments in accordance with the Law.

Under Luxembourg domestic tax law, gains realised by an individual Noteholder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal, in any form whatsoever, of Notes are not subject to Luxembourg income tax, provided this sale or disposal took place six months after the acquisition of the Notes. An individual Noteholder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gain corresponding to accrued but unpaid interest in respect of the Notes in his taxable income, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual Noteholder has opted for the application of a 10 per cent. tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in an EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than an EU Member State), or in a state that has entered into a treaty with Luxembourg relating to the Council Directive 2003/48/EC of 3 June 2003.

Gains realised by a corporate Noteholder or by an individual Noteholder, who acts in the course of the management of a professional or business undertaking, who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg, to which the Notes are attributable, on the sale or disposal, in any form whatsoever, of Notes are subject to Luxembourg income tax.

Gains realised by a non-resident Noteholder, who does not have a permanent establishment or fixed place of business in Luxembourg, to which the Notes are attributable, on the sale or disposal of Notes are not subject to Luxembourg income tax.

A Luxembourg Noteholder that is governed by the law of 11 May 2007 on family estate companies, as amended by the laws of 20 December 2002 or 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, will not be subject to any Luxembourg income tax in respect of interest received or accrued on the Notes, or on gains realised on the sale or disposal, in any form whatsoever, of Notes.

### **Wealth tax**

A corporate Noteholder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the Noteholder is governed by the law of 11 May 2007 on family estate companies, as amended, by the laws of 20 December 2002 or 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, or is a securitisation company governed by the law of 22 March 2004 on securitisation, or a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

An individual Noteholder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on Notes.

### **Other Taxes**

Under present Luxembourg tax law, in the case where a Noteholder is a resident for tax purposes of Luxembourg at the time of his death, the Notes are included in his taxable estate, for inheritance tax purposes and gift tax may be due on a gift or donation of Notes, if the gift is recorded in a Luxembourg deed.

## SWEDISH TAXATION

*The following summary outlines certain Swedish tax consequences relating to holders of Notes that are considered to be Swedish residents for Swedish tax purposes. The summary is based on the laws of Sweden as effect as at the date of this Prospectus and is intended to provide general information only. The summary does inter alia not address situations where Notes are held in an investment savings account (Sw. investeringssparkonto) or the rules regarding reporting obligations for, among others, payers of interest. Further, the summary does not address credit of foreign taxes. Investors should consult their professional tax advisors regarding the Swedish tax and other tax consequences (including the applicability and effect of tax treaties for the avoidance of double taxation) of acquiring, owning and disposing of Notes in their particular circumstances.*

### **Swedish tax residents**

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable. Specific tax consequences, however, may be applicable to certain categories of corporations, e.g. life insurance companies. Further, specific tax consequences may be applicable if, and to the extent that, a holder of Notes realises a capital loss on the Notes.

If amounts that are considered to be interest for Swedish tax purposes are paid by Euroclear Sweden AB or by another legal entity domiciled in Sweden, including a Swedish branch, to a private individual (or an estate of a deceased individual) with residence in Sweden for Swedish tax purposes, Swedish preliminary taxes are normally withheld by Euroclear Sweden AB or the legal entity on such payments. Swedish preliminary taxes should normally also be withheld on other returns on securities and receivables (but not capital gains), if the return is paid out together with such a payment of interest referred to above. Swedish preliminary taxes are withheld at 30 per cent less any foreign withholding tax.



## IRISH TAXATION

*The following is a summary based on the laws and practices currently in force in Ireland of Irish withholding tax on interest and addresses the tax position of investors who are the absolute beneficial owners of the Notes. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, including dealers in securities and trusts. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of payments thereon under the laws of their country of residence, citizenship or domicile.*

### **Withholding Tax**

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest paid on the Notes may be treated as having an Irish source if:

- (a) the Issuer is resident in Ireland for tax purposes; or
- (b) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Notes; or
- (c) the Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or (if the Notes are in bearer form) the Notes are physically held in Ireland.

It is anticipated that, (i) the Issuer is not and will not be resident in Ireland for tax purposes; (ii) the Issuer will not have a branch or permanent establishment in Ireland; (iii) payments under the Notes will not be derived from Irish sources or assets; (iv) bearer Notes will not be physically located in Ireland and the Issuer will not maintain a register of any registered Notes in Ireland.

### **Encashment Tax**

Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any interest, dividends or annual payments paid on the Notes issued by a company not resident in Ireland, where such interest, dividends or annual payments are collected or realised by a bank or encashment agent in Ireland on behalf of any holder of the Notes who is Irish resident.

Encashment tax does not apply where the holder of the Notes is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

### **European Union Directive on Taxation of Savings Income**

Ireland has implemented the EC Council Directive 2003/48/EC on the taxation of savings income into national law. Accordingly, any Irish paying agent making an interest payment on behalf of the Issuer to an individual or certain residual entities resident in another Member State of the European Union or certain associated and dependent territories of a Member State will have to provide details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address) to the Irish Revenue Commissioners who in turn are obliged to provide such information to the competent authorities of the state or territory of residence of the individual or residual entity concerned.

## SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

### Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) and in the Dealer Agreement, the Dealer will represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than the offers contemplated in the Prospectus in the Kingdom of Sweden from the time the Prospectus has been approved by the Central Bank of Ireland, being the competent authority in Ireland, and published and notified to the relevant competent authority in accordance with the Prospectus Directive as implemented in the Kingdom of Sweden until 23 June 2014, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

### Ireland

Each of Credit Suisse International as Dealer and Garantum Fondkommission AB as Distributor has represented, warranted and agreed that:

- (a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Acts 1963 – 2013 (as amended) of Ireland (as amended), the Central Bank Acts 1942 - 2012 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005

(as amended) and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland.

**Sweden**

Each of the Issuer, Credit Suisse International as Dealer and Garantum Fondkommission AB as Distributor and any authorised offeror has represented and agreed that the Notes have not been offered or sold and will not be offered, sold or delivered directly or indirectly in the Kingdom of Sweden by way of public offering, unless in compliance with the Swedish Financial Instruments Trading Act (Sw. lag (1991:980) om handel med finansiella instrument), as amended from time to time.

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**Credit Suisse International**

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