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Execution Version

**PROHIBITION OF SALES TO UK RETAIL INVESTORS:** The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling such Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.



Credit Suisse AG, London Branch

(Legal Entity Identifier (LEI): ANGGYXNX0JLX3X63JN86)

Up to EUR 100,000,000 Credit-Linked Notes, linked to a basket of reference entities, due 2028  
(the "**Notes**" or the "**Securities**")

Series: SPLB2022-2052

ISIN: XS2387488286

Issue Price: EUR 10,000 per Security

### Summary and Securities Note

This document comprises two parts:

- Part One is a summary of the Registration Document and Securities Note (the "**Summary**"); and
- Part Two is a securities note (the "**Securities Note**").

The Summary and Securities Note contain information relating to the above Securities.

### Registration Document

The Summary and Securities Note shall be read in conjunction with the registration document dated 11 June 2021 (the "**Original Registration Document**") as supplemented by a supplement dated 20 July 2021, a supplement dated 5 August 2021, a supplement dated 29 October 2021, a supplement dated 12 November 2021, a supplement dated 22 December 2021, a supplement dated 31 January 2022, a supplement dated 17 February 2022 and a supplement dated 29 March 2022 (the Original Registration Document as so supplemented and as may be further supplemented from time to time, the "**Registration Document**") containing information in respect of Credit Suisse AG (the "**Issuer**").

### Prospectus

Together, the Registration Document, the Summary and the Securities Note constitute a "prospectus" (the "**Prospectus**") for the Securities, prepared for the purposes of Article 6(3) of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). The Prospectus and all related notices will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the website of the Issuer at <https://derivative.credit-suisse.com/uk/qb/en/>.

**This Prospectus is valid for 12 months after its approval and will expire on 20 April 2023, provided that it is completed by any supplement required pursuant to Article 23 of the Prospectus Regulation. The obligation to supplement a prospectus in the event of any significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus does not apply when a prospectus is no longer valid or if such significant new factor, material mistake or material inaccuracy arises or is noted after the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later.**

## **Programme**

The Prospectus is one of a number of prospectuses under the Structured Products Programme for the issuance of Notes, Certificates and Warrants (the "**Programme**") of the Issuer.

## **The Securities**

The Securities are in the form of Notes and are issued by the Issuer under the Programme. The terms and conditions of the Notes will comprise:

- the General Terms and Conditions of Notes (the "**General Conditions**") as incorporated by reference from the Securities Note dated 14 July 2021 (the "**Original CS Put and Call Securities Note**") and as supplemented by a supplement dated 3 August 2021 (the "**Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note**", and together with the Original CS Put and Call Securities Note, the "**CS Put and Call Securities Note**") as part of the CS Put and Call Securities Base Prospectus pursuant to the Structured Products Programme for the issuance of Notes, Certificates and Warrants ;
- the Asset Terms for Credit Linked Notes as set out in Annex II to the "Specific Terms" below (the "**Asset Terms**"); and
- the specific terms of the Securities, as completing and amending the General Conditions and the Asset Terms, as set forth in "**Specific Terms**" below.

This Summary and Securities Note also incorporates by reference certain other information from the CS Put and Call Securities Note (see "*Documents Incorporated by Reference*" below).

## **Underlying Asset**

The return on the Securities is linked to the credit of a basket of reference entities as set out in "Type and class of Securities being offered and security identification number(s) and ISIN" of the Summary and Annex I to the "Specific Terms" below.

## **Risk Factors**

***Depending on the performance of the Underlying Asset, you may lose some or all of your investment in the Securities.***

Before purchasing any Securities, you should consider, in particular, the information in the section entitled "Risk Factors" below together with the relevant risk factors relating to the Issuer set out in the Registration Document.

## **EU Benchmark Regulation: Article 29(2) statement on benchmarks**

Amounts payable under the Securities under the Floating Rate Provisions will be calculated by reference to EURIBOR which is provided by the European Money Markets Institute (the "**Administrator**"). As at the date of this Summary and Securities Note, the Administrator is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmark Regulation**").

20 April 2022

## **IMPORTANT NOTICES**

### **Potential for discretionary determinations by the Issuer under the Securities**

Under the terms and conditions of the Securities, following the occurrence of certain events outside of its control, the Issuer may determine in its discretion to take one or more of the actions available to it in order to address the impact of such event on the Securities or the Issuer or both. It is possible that any such discretionary determination by the Issuer could have a material adverse impact on the value of and return on the Securities.

### **No investment advice**

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in the Securities Note. The Issuer is acting solely in the capacity of an arm's length contractual counterparty and not as an investor's financial adviser or fiduciary in any transaction. The purchase of Securities involves substantial risks and an investment in Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial adviser) fully evaluate the risks and merits of such an investment in the Securities and who have sufficient resources to be able to bear any losses that may result therefrom.

Therefore, before making an investment decision, prospective investors of Securities should ensure that they understand the nature of the Securities and the extent of their exposure to risks and consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Prospectus and any documents incorporated by reference herein. The Prospectus cannot disclose whether the Securities are a suitable investment in relation to any investor's particular circumstances; therefore investors should consult their own financial, tax, legal or other advisers if they consider it appropriate to do so and carefully review and consider such an investment decision in the light of the information set forth in the Prospectus.

### **No other person is authorised to give information on the Securities**

In connection with the issue and sale of the Securities, no person is authorised by the Issuer to give any information or to make any representation not contained in the Registration Document, the Summary or the Securities Note, and neither the Issuer nor the Dealer accepts responsibility for any information or representation so given that is not contained in the Registration Document, the Summary or the Securities Note.

### **Not an offer**

Except as specified herein, the Prospectus does not constitute an offer to the public of Securities, and may not be used for the purposes of an offer to the public or solicitation by anyone, in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Securities to the public or the distribution of the Prospectus in any jurisdiction where any such action is required.

### **Restrictions on distribution**

The distribution of the Prospectus and the offering of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession the Registration Document, the Summary or the Securities Note comes are required by the Issuer to inform themselves about, and to observe, such restrictions. For a description of certain restrictions on offers or sales of the Securities and the distribution of the Prospectus and other offering materials relating to the Securities, please refer to the section entitled "Selling Restrictions" of the Original CS Put and Call Securities Note and as supplemented by the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note, each of which is incorporated by reference into this document .

### **Important U.S. notice**

The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"). Subject to certain exemptions, the Securities may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons. A further description of the restrictions on offers and sales of the Securities in the United States or to U.S. persons

is set forth in the section entitled "Selling Restrictions" of the Original CS Put and Call Securities Note and as supplemented by the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note, each of which is incorporated by reference into this document.

**Taxation**

Investors should be aware that the tax legislation of the country in which the investor is resident and of the Issuer's country of incorporation and in the country of the Issuer's branch that issues the Securities may have an impact on the income received from the Securities.

**Information only as at the date hereof**

The delivery of this document at any time does not imply that any information contained herein is correct at any time subsequent to the date hereof.

**No post-issuance information**

The Issuer will not be providing any post-issuance information (save as set out herein), except if required by any applicable laws and regulations.

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## PART ONE

### SUMMARY

INTRODUCTION AND WARNINGS
<p>This Summary should be read as an introduction to the Prospectus. Any decision to invest in Securities should be based on a consideration of the Prospectus as a whole by the investor. In certain circumstances, the investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, 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 this summary including any translation thereof, but only where this Summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Securities.</p> <p><b><i>You are about to purchase a product that is not simple and may be difficult to understand.</i></b></p>
<p><b>The Securities</b></p> <p>Up to EUR 100,000,000 Credit-Linked Notes linked to a basket of reference entities, due 2028 (ISIN: XS2387488286) (the "Notes" or the "Securities").</p>
<p><b>The Issuer</b></p> <p>The Issuer is Credit Suisse AG ("CS"), acting through its London Branch. Its office is One Cabot Square, London, E14 4QJ and its Legal Entity Identifier (LEI) is ANGGYXNX0JLX3X63JN86 .</p>
<p><b>The Authorised Offeror(s)</b></p> <p>The authorised offeror (the "Authorised Offeror") is Abanca Corporación Bancária S.A., Sucursal em Portugal, Rua Castilho, n.º 20, 1250-069 Lisboa (the "Distributor") and its Legal Entity Identifier (LEI) is: 54930056IRBXK0Q1FP96.</p>
<p><b>Competent authority</b></p> <p>This Prospectus was approved on 20 April 2022 by the Luxembourg <i>Commission de Surveillance du Secteur Financier</i> of 283 Route d'Arlon, 1150 Luxembourg (Telephone number: (+352) 26 25 1-1; Fax number: (+352) 26 25 1 – 2601; Email <a href="mailto:direction@cssf.lu">direction@cssf.lu</a>).</p>
KEY INFORMATION ON THE ISSUER
Who is the Issuer of the Securities?
<p><b>Domicile and legal form, law under which the Issuer operates and country of incorporation</b></p> <p>CS is incorporated under Swiss law as a corporation (Aktiengesellschaft) in Zurich, Switzerland and operates under Swiss law. Its Legal Entity Identifier (LEI) is: ANGGYXNX0JLX3X63JN86.</p>
<p><b>Issuer's principal activities</b></p> <p>The principal activities of CS are the provision of financial services in the areas of private banking, investment banking and asset management.</p>
<p><b>Major shareholders, including whether it is directly or indirectly owned or controlled and by whom</b></p> <p>CS is direct wholly owned by Credit Suisse Group AG.</p>
<p><b>Key managing directors</b></p> <p>The key managing directors of the Issuer are members of the Issuer's Executive Board. These are: Thomas Gottstein (Chief Executive Officer), Romeo Cerutti, Francesco De Ferrari, Joanne Hannaford, Ulrich Körner, Rafael Lopez Lorenzo, David R. Mathers, Christian Meissner, Christine Graeff, Helman Sitohang, and David Wildermuth.</p>
<p><b>Statutory auditors</b></p> <p>CS's independent auditor and statutory auditor for the fiscal years ending 31 December 2021 and 31 December 2020 was PricewaterhouseCoopers AG, Birchstrasse 160 8050 Zurich, Switzerland.</p> <p>CS's independent auditor and statutory auditor for the fiscal year ending 31 December 2019 was KPMG AG, Räfelfstrasse 28, 8045 Zurich, Switzerland.</p> <p>CS has mandated BDO AG, Fabrikstrasse 50, 8031 Zurich, as special auditor for the purposes of issuing the legally required</p>

report for capital increases in accordance with Article 652f of the Swiss Code of Obligations.

### What is the key financial information regarding the Issuer?

CS derived the key financial information included in the tables below as of and for the years ended 31 December 2021, 2020 and 2019 from the Annual Report 2021, except where noted. The consolidated financial statements were prepared in accordance with accounting principles generally accepted in the US (US GAAP) and are stated in Swiss francs (CHF).

<b>CS consolidated statements of operations</b>			
<b>(CHF million)</b>	<b>Year ended 31 December 2021 (audited)</b>	<b>Year ended 31 December 2020 (audited)</b>	<b>Year ended 31 December 2019 (audited)</b>
Net revenues	23,042	22,503	22,686
Of which: Net interest income	5,925	5,960	7,049
Of which: Commissions and fees	13,180	11,850	11,071
Of which: Trading revenues	2,371	3,178	1,773
Provision for credit losses	4,209	1,092	324
Total operating expenses	18,924	18,200	17,969
Of which: Commission expenses	1,243	1,256	1,276
Income/(loss) before taxes	(91)	3,211	4,393
Net income/(loss) attributable to shareholders	(929)	2,511	3,081

<b>CS consolidated balance sheets</b>		
<b>(CHF million)</b>	<b>As of 31 December 2021 (audited)</b>	<b>As of 31 December 2020 (audited)</b>
Total assets	759,214	822,831
Of which: Net loans	300,358	300,341
Of which: Brokerage receivables	16,689	35,943
Total liabilities	711,127	775,772
Of which: Customer deposits	393,841	392,039
Of which: Short-term borrowings	25,336	21,308
Of which: Long-term debt	160,695	160,279
Of which: Senior debt	95,468	94,768
Of which: Subordinated debt	63,836	63,765
Of which: Brokerage payables	13,062	21,655
Total equity	48,087	47,059
Of which: Total shareholders' equity	47,390	46,264
Metrics (in %)		
Swiss CET1 ratio	16.5	14.7
Swiss TLAC ratio	37.5	35.3
Swiss TLAC leverage ratio	11.2	12.1

### What are the key risks that are specific to the Issuer?

The Issuer is subject to the following key risks:

1. Liquidity risk arising from potential inability to borrow or access the capital markets on suitably favourable terms (including due to adverse changes in its credit ratings) or to sell its assets. This may also arise from increased liquidity costs. CS relies significantly on its deposit base for funding, which may not continue to be a stable source of funding over time.
2. Risks arising from the impact of market fluctuations and volatility on CS's investment activities (against which its hedging strategies may not prove effective). The spread of COVID-19 and resulting tight government controls and containment measures implemented around the world have caused severe disruption to global supply chains and economic activity, and the market has entered a period of significantly increased volatility. The spread of COVID-19 is continuing to have an adverse impact on the global economy, the severity and duration of which is difficult to predict, and has adversely affected CS's business, operations and financial performance. In addition, there can be no assurance that, even after adjustments are made to model outputs, Credit Suisse Group AG and its subsidiaries will not recognize unexpected losses arising from the uncertainty relating to its modelling for current expected credit losses that has resulted from the COVID-19 pandemic. The COVID-19 pandemic has significantly impacted, and is likely to continue to adversely affect CS's credit loss estimates, mark-to-market losses, trading revenues, net interest income and potential goodwill assessments, and may also adversely affect its ability to successfully realize its strategic objectives. To the extent the COVID-19 pandemic continues to adversely affect the global economy, and/or CS's business, operations or financial performance, it may also have the effect of increasing the likelihood and/or magnitude of other risks described herein, or may give rise to other risks not presently known to CS or not currently expected to be significant to its business, operations or financial performance. CS is closely monitoring the potential adverse effects and impact on its operations,

businesses and financial performance, including liquidity and capital usage, though the extent of the impact is difficult to fully predict at this time due to the continuing evolution of this uncertain situation. CS is also exposed to other unfavourable economic, monetary, political, legal, regulatory and other developments in the countries in which it operates (as well as countries in which CS does not currently conduct business), including uncertainties regarding the expected discontinuation of benchmark rates. CS's significant positions in the real estate sector – and other large and concentrated positions – may also expose it to larger losses. Many of these market risk factors, including the impact of COVID-19, may increase other risks, including CS's credit risk exposures, which exist across a large variety of transactions and counterparties and in respect of which it may have inaccurate or incomplete information. These are exacerbated by adverse economic conditions and market volatility, including as a result of any defaults by large financial institutions (or any concerns relating thereto). The suspension and ongoing liquidation of certain supply chain finance funds and the failure of a US-based hedge fund to meet its margin commitments (and CS's exit from its positions relating thereto) may continue to have negative consequences for CS.

3. CS's ability to implement its current strategy, which is based on a number of key assumptions, is subject to various factors outside its control, including market and economic conditions and changes in law. The implementation of CS's strategy may increase its exposure to certain risks, including credit risks, market risks, operational risks and regulatory risks. The implementation of CS's strategy relating to acquisitions and other similar transactions subjects it to the risk that it may assume unanticipated liabilities (including legal and compliance issues), as well as difficulties relating to the integration of acquired businesses into its existing operations.
4. Country, regional and political risk in the regions in which CS has clients or counterparties, which may affect their ability to perform their obligations to CS. In part because an element of its strategy is to increase CS's private banking businesses in emerging market countries, it may face increased exposure to economic, financial and political disruptions in those countries, which could result in significant losses. Related fluctuations in exchange rates for currencies (particularly for the US dollar) may also adversely affect CS.
5. A wide variety of operational risks arising from inadequate or failed internal processes, people or systems or from external events, including breaches of cyber-security and other failures of information technology. CS relies heavily on financial, accounting and other data processing systems, which are varied and complex, and may face additional technology risks due to the global nature of its operations. CS is thereby exposed to risks arising from human error, negligence, employee misconduct, fraud, malice, accidental technology failure, cyber-attack and information or security breaches. This also exposes CS to risk from non-compliance with existing policies or regulations. Protecting against threats to CS's cyber-security and data protection systems requires significant financial and human resources. The ongoing global COVID-19 pandemic has increased the vulnerability of CS's information technology systems and the likelihood of damage as a result of a cybersecurity incident because of the wide-scale and prolonged shift to remote working for CS's employees and the increased reliance by CS's customers on remote (digital) banking services. CS's existing risk management procedures and policies may not always be effective against such risks, particularly in highly volatile markets, and may not fully mitigate its risk exposure in all markets or against all types of risk. Moreover, CS's actual results may differ materially from its estimates and valuations, which are based upon judgment and available information and rely on predictive models and processes. The same is true of CS's accounting treatment of off-balance sheet entities, including special purpose entities, which requires it to exercise significant management judgment in applying accounting standards; these standards (and their interpretation) have changed and may continue to change. In addition, physical and transition climate risks could have a financial impact on CS either directly, through its physical assets, costs and operations, or indirectly, through its financial relationships with its clients.
6. CS's exposure to legal risks is significant and difficult to predict and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms continues to increase in many of the principal markets in which CS operates. Changes in regulation (including in relation to sanctions) and monetary policy applicable to CS (as well as regulations and changes in enforcement practices applicable to its clients) may adversely affect its business and ability to execute its strategic plans and increase costs, as well as impact the demand from clients for CS's services. Moreover, CS's ability to attract and retain customers, clients, investors and employees, and conduct business transactions with its counterparties, could be adversely affected to the extent its reputation is damaged, which could arise from various sources, including if its procedures and controls fail (or appear to fail). In addition, Swiss resolution proceedings may affect CS's shareholders and creditors.
7. CS faces intense competition in all financial services markets, which has increased as a result of consolidation, as well as emerging technology and new trading technologies (including trends towards direct access to automated and electronic markets and the move to more automated trading platforms). In such a highly competitive environment, CS's performance is affected by its ability to recruit and retain highly skilled employees.

#### KEY INFORMATION ON THE SECURITIES

##### What are the main features of the Securities?

##### Type and class of Securities being offered and security identification number(s) and ISIN

The securities are notes which are linked to the credit risk of a basket of reference entities (each a "Reference Entity") as set out below, together with the relevant Bloomberg tickers:

Reference Entity	Reference Entity ticker	Reference	Obligation	Reference	Obligation
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		ticker	ISIN
Bayerische Motoren Werke AG	BMW CDS EUR SR 7Y D14	BMW 0 3/4 07/12/24	XS1548436473
BorgWarner Inc	BWA CDS USD SR 7Y D14	BWA 3 3/8 03/15/25	US099724AJ55
Bouygues SA	ENFP CDS EUR SR 7Y D14	ENFP 3 5/8 01/16/23	FR0011332196
Koninklijke KPN NV	KPN CDS EUR SR 7Y D14	KPN 5 5/8 09/30/24	XS0454773713
Thales SA	HOFP CDS EUR SR 7Y D14	HOFP 0 3/4 06/07/23	XS1429027375

Provided that the Securities have not been redeemed, repurchased or cancelled on or prior to the relevant interest payment date, the Securities will pay a fixed rate of interest up to 20 December 2023 and floating interest thereafter until the Securities are either redeemed in full or cancelled, with the outstanding nominal amount on which interest on the Securities is calculated subject to reduction if a credit event is determined in respect of a Reference Entity.

The Securities of this series will be uniquely identified by **ISIN: XS2387488286; Common Code: 238748828**.

The Securities will be delivered by the Issuer against payment of the issue price. The Securities are cleared through Clearstream Banking, société anonyme/Euroclear Bank S.A./N.V.

#### Currency, denomination, number of Securities issued and term of the Securities

The currency of the Securities will be Euro ("EUR") (the "**Settlement Currency**"). The specified denomination per Security is EUR 10,000 (the "**Nominal Amount**"). Up to 10,000 Securities may be issued.

The scheduled maturity date of the Securities is 20 December 2028 (the "**Scheduled Maturity Date**").

#### Description of restrictions on free transferability of the Securities

No offers, sales or deliveries of the Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations.

#### Status of the Securities

The Securities are unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and with all other unsubordinated and unsecured obligations of the Issuer from time to time outstanding.

#### Rights attached to the Securities

**Rights:** The Securities will give each holder of Securities (a "**Securityholder**") the right to receive a potential return on the Securities and to vote on certain amendments to the Securities.

The return on the Securities will derive from:

- interest amounts payable on the Securities; and
- unless the Securities have been previously redeemed or purchased or cancelled, the payment of the Redemption Amount (see below) on the Scheduled Maturity Date of the Securities.

#### Interest Amounts

Subject to early redemption, purchase or cancellation, interest will be payable on the Securities on the outstanding nominal amount (subject to as set out at "Effect of the underlying instrument(s) on value of investment" below) on 20 December each year commencing on 20 December 2022 until 20 December 2028 (each an "**Interest Payment Date**"). The interest rate on the basis of which the interest amounts payable on the Securities are calculated will be equal to a fixed rate per annum equal to a rate ranging between 1.30 – 2.00 per cent, such rate to be determined at the end of the Offer Period and notified to investors by way of a notice published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) for the first two Interest Payment Dates up to and including 20 December 2023.

For the calculation of the interest amount payable on the Securities on the third Interest Payment Date and any following Interest Payment Date the interest rate used for the calculation of the interest amount payable on the Securities will be the greater of (i) a rate ranging between 1.30 – 2.00 per cent, such rate to be determined at the end of the Offer Period and notified to investors by way of a notice published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) (the "**Minimum Interest Rate**") and (ii) EURIBOR (the "**Reference Rate**"), subject to a cap of 5 per cent.

As the Reference Rate is subject to fluctuations, the relevant interest amount payable on the Securities on each Interest Payment Date, in respect of which the Reference Rate is applicable, is uncertain and may be substantially lower than the interest payment amounts that would be payable under conventional fixed rate debt securities of the Issuer with a comparable term.

In any case, the interest rate will at least be equal to the Minimum Interest Rate.

Where: "**EURIBOR**" means, in respect of an Interest Payment Date, the rate EUR-EURIBOR-Reuters, for a deposit in EUR for a twelve month period which appears on the Reuters Screen EURIBOR01, as of 11:00 am Brussels time, as determined by the Calculation Agent on the date that is two Business Days before the relevant Interest Payment Date.

Following the occurrence of an Event Determination Date, interest will cease to accrue on the amount of the relevant reduction of the outstanding nominal amount of such Security, with effect from and including the first day of the interest period during which such Event Determination Date occurred or, in the case of an Event Determination Date falling after the Scheduled Maturity Date, the interest payment date prior to the Scheduled Maturity Date.

#### **Redemption Amount**

Unless the Securities have been previously redeemed or purchased or cancelled, and if no Event Determination Date (as defined below) has occurred on or prior to the Scheduled Maturity Date or could occur thereafter, the Issuer shall redeem each Security on the Scheduled Maturity Date (subject to deferral as set out at "Effect of the underlying instrument(s) on value of investment" below) at its initial outstanding nominal amount, being EUR 10,000 per Security.

Following the occurrence of an Event Determination Date with respect to any Reference Entity contained in the Basket, a portion of the outstanding nominal amount of each Security equal to EUR 2000 will be redeemed at the Credit Event Settlement Amount, and the outstanding nominal amount of the Securities will be reduced by the related Credit Event Writedown Amount. The Redemption Amount payable on maturity of the Securities will be reduced accordingly.

If an Event Determination Date has occurred in respect of all Reference Entities, and the Securities will be treated as having been redeemed in whole and cancelled after payment of each related Credit Event Settlement Amount (see "Effect of the underlying instrument(s) on value of investment" below). Interest on the Securities will also cease to accrue on an amount equal to the Credit Event Writedown Amount as a result of such Event Determination Date from the start of the then-current interest accrual period.

In the worst case scenario, an Event Determination Date occurs in respect to each Reference Entity prior to the first Interest Payment Date, in which case no interest would be paid and the Securities will terminate after payment of each related Credit Event Settlement Amount. The Credit Event Settlement Amount is likely to be considerably less than the entire outstanding nominal amount of each Security which means that Securityholders will accordingly suffer a loss of principal in such case.

**Governing law:** The Securities are governed by English law.

#### **Effect of the underlying instrument(s) on value of instrument**

The value of the Securities is linked to a hypothetical credit default swap entered into in respect of a basket (the "**Basket**") of the Reference Entities listed above, (the "**Reference CDS**") pursuant to which the Issuer is deemed to be a buyer of credit protection and a notional counterparty is deemed to be a seller of credit protection. The seller under the Reference CDS (and accordingly, the Securityholders under the Securities) are exposed to the credit default swap exposure on the Reference Entities, subject to a zero recovery feature as outlined below.

Payments of interest and principal on the Securities are dependent on whether one or more of a number of specified events occurs in relation to the Reference Entities (referred to as "**Credit Events**") and whether, as a result, either of the following occurs giving rise to an "**Event Determination Date**":

- i. the Credit Derivative Determinations Committee ("**CDDC**") convened by DC Administration Services, Inc. on behalf of ISDA (the "**DC Secretary**") publicly announces that it has resolved that a Credit Event has occurred; or in the absence of such announcement
- ii. the Calculation Agent delivers a notice to Securityholders which would constitute a "**Credit Event Notice**" and "**Notice of Publicly Available Information**" for the purpose of the Reference CDS.

In addition, following the occurrence of an Event Determination Date, interest will cease to accrue on the amount of the relevant reduction of the outstanding nominal amount of such Security, with effect from and including the first day of the interest period during which such Event Determination Date occurred or, in the case of an Event Determination Date falling after the Scheduled Maturity Date, the interest payment date prior to the Scheduled Maturity Date.

If following a Credit Event with respect to a Reference Entity, the occurrence of an Event Determination Date is pending determination by the CDDC or Calculation Agent (as set out above), following the scheduled termination date of the Reference CDS, any payments of principal and interest in respect of the portion of the outstanding nominal amount of the Securities equal to the weighting of such Reference Entity will be postponed to a date selected by the Calculation Agent falling not later than five Business Days after the date on which it is no longer possible for an Event Determination Date to occur. In such case any principal and interest in respect of such portion will only be paid if during such period the relevant Credit Event, in respect of the relevant Reference Entity has not resulted in the occurrence of an Event Determination Date.

In each case the Issuer will not be liable for additional interest or other payments to the Securityholders of the Securities by reason of any such delayed payment.

#### **Where will the Securities be traded?**

Application has been made to admit the Securities to trading on the regulated market of the Luxembourg Stock Exchange.

#### What are the key risks that are specific to the Securities?

The Securities are subject to the following key risks:

- Potential Loss of Some or All of the Investment:** Payments on Credit-Linked Securities are subject to the creditworthiness of the Reference Entity or Reference Entities. If an Event Determination Date occurs, the Securities will be redeemed or cancelled in full or in part, as set out in the Asset Terms, by payment of the Credit Event Settlement Amount and the outstanding nominal amount of the Securities will be reduced by the related Credit Event Writedown Amount. The Credit Event Settlement Amount is likely to be considerably less than the entire outstanding nominal amount of each Security which means that Securityholders will accordingly suffer a loss of principal in such case. In addition, if an Event Determination Date has occurred, interest on Credit-Linked Securities will cease to accrue on an amount equal to the Credit Event Writedown Amount as a result of such Event Determination Date from the start of the then-current interest accrual period. Securityholders will accordingly suffer a loss of interest in such case.
- Multiple Reference Entities Correlation Risk:** The Securities are linked to multiple Reference Entities, and, accordingly, the probability that an Event Determination Date may occur in relation to any particular Reference Entity may be increased. The risk of default of Reference Entities may be correlated, in that adverse economic factors which apply to one Reference Entity may apply to other Reference Entities, or the default or decline in creditworthiness of a particular Reference Entity may itself adversely affect other Reference Entities. Such risks may be particularly significant where the Reference Entities are concentrated in a particular industry sector or geographical region.
- A Credit Event may occur even if the Issuer does not suffer any loss:** The Issuer's obligations under the Securities are irrespective of any loss which the Issuer may suffer as a result of the circumstances giving rise to a Credit Event. The Issuer is not required to suffer any such loss as a condition to making a determination as to the occurrence of a Credit Event, nor is it required to have any credit exposure to any Reference Entity at any time.
- Resolution of a CDDC may bind Securityholder:** The CDDC may make determinations as to the occurrence or non-occurrence of certain events in respect of credit default swap transactions. Such determinations include the occurrence or non-occurrence of Credit Events and the determination as to whether one or more entities should be treated as successors to a Reference Entity. If the Issuer determines that such CDDC resolution would apply for the purpose of the Reference CDS, the resolution will apply for the purpose of the Securities and bind the Securityholders. Alternatively, absent a resolution of the CDDC, the Calculation Agent may, but will not be obliged to, make a determination that a different entity has become successor to the original Reference Entity. The effect of such amendment may be a material increase in the risk associated with an investment in the Securities, for example where the successor Reference Entity is more indebted than the original Reference Entity or is exposed to different business risks.
- Redemption of the Securities may be deferred:** Redemption and payment of scheduled interest may be delayed if the Reference CDS will or may terminate after the Scheduled Maturity Date of the Securities. Any such delay may be material. Even where an Event Determination Date does not occur, interest payable to Securityholders for the period following the Scheduled Maturity Date may be substantially lower than the rate applicable to the Securities prior to such date. The obligations of the Issuer under the Securities may be suspended pending a resolution of a Credit Derivatives Determinations Committee as to whether a Credit Event has occurred. Securityholders will not be compensated for any such delay.

#### KEY INFORMATION ON THE OFFER OF THE SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON A REGULATED MARKET

##### Under which conditions and timetable can I invest in this Security?

###### Terms and conditions of the offer

An offer of the Securities will be made in Portugal during the period from, and including 21 April 2022 to, and including, 15:00 on 20 May 2022 (the "Offer Period"). The Offer Period may be discontinued at any time and the Issuer reserves the right to withdraw the offer and/or to cancel the issue of the Securities for any reason at any time on or prior to the issue date. The offer price will be equal to 100 per cent of the aggregate Nominal Amount.

Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, with effect from, at the earliest, the Issue Date.

###### Estimated expenses charged to the investor by the Issuer/offeree

Securities will be sold by Credit Suisse International, as dealer to the Distributor(s) at a discount of up to 2.50 per cent. of the Offer Price per Security. Such discount represents the fee retained by the Distributor(s) out of the Offer Price paid by investors.

The Distributor will charge purchasers a fee of up to 2.50 per cent. of the Nominal Amount per Security.

There are no estimated expenses charged to the investor by the Issuer.

##### Who is the offeror and/or the person asking for admission to trading?

See the item entitled "The Authorised Offeror(s)" above.

The Issuer is the entity requesting for the admission to trading of the Securities.

**Why is this Prospectus being produced?**

**Reasons for the offer, estimated net proceeds and use of proceeds**

The net proceeds from the issue of the Securities, which are expected to amount to 100% of the subscription amount, will be used by the Issuer for its general corporate purposes (including hedging arrangements).

**Underwriting agreement on a firm commitment basis**

The offer of the Securities is not subject to an underwriting agreement on a firm commitment basis.

**Material conflicts pertaining to the issue/offer**

Fees shall be payable to the Distributor(s). The Issuer is subject to a number of conflicts of interest between its own interests and those of holders of Securities, including: (a) in making certain calculations and determinations, there may be a difference of interest between the investors and the Issuer, (b) in the ordinary course of its business the Issuer (or an affiliate) may effect transactions for its own account and may enter into hedging transactions with respect to the Securities or the related derivatives, which may affect the market price, liquidity or value of the Securities, and (c) the Issuer (or an affiliate) may have confidential information in relation to the underlying asset(s) or any derivative instruments referencing them, but which the Issuer is under no obligation (and may be subject to legal prohibition) to disclose.

**PART TWO**  
**SECURITIES NOTE**  
**RISK FACTORS**

The Issuer believes that the risk factors specific to the Securities described below are material for the purpose of taking an informed investment decision associated with the Securities, but these are not the only risks that the Issuer faces or that may arise under the Securities. There will be other risks that the Issuer does not currently consider to be material, or risks that the Issuer is currently not aware of, or risks that arise due to circumstances specific to the investor.

More than one investment risk may have simultaneous effect with regard to the value of the Securities and the effect of any single investment risk may not be predictable. In addition, more than one investment risk may have a compounding effect and no assurance can be given as to the effect that any combination of investment risks may have on the value of Securities.

For a description of the risk factors relating to the Issuer, investors should refer to the Registration Document for the Issuer, where the specific risks associated with the Issuer are set out. An investment in Securities entails certain risks, which vary depending on the specific type and structure of the relevant Security and the relevant Underlying Asset(s) which the Security is linked to. Within each category, the risk factor that the Issuer believes is the most material to the Securities is presented first. For the avoidance of doubt, the remaining risk factors in each category are not presented in order of materiality.

**Risks relating to the Securities**

See the section entitled "Risk Factors" contained on pages 20 to 79 of the Original CS Put and Call Securities Note, as supplemented by the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note, which are incorporated by reference into this Securities Note. In particular, investors should have regard to the risks described under the following category and sub-category headings set out in the Securities Note, which the Issuer considers to be material to an investment in the Securities:

1. **Risks associated with Securities in case of insolvency of the Issuer and in connection with resolution measures in respect of the Issuer (Risk Category 1) (pages 20 and 21 of the Original CS Put and Call Securities Note):**
  - (a) Risk in case of an insolvency of the Issuer; and
  - (b) Risks related to FINMA's broad statutory powers in relation to CS;
2. **Risks in connection with the payment profile of the Securities (Risk Category 2) (pages 21 and 22 of the Original CS Put and Call Securities Note):**
  - (a) Potential loss of some or all of the investment;
3. **Risks in connection with termination and adjustment rights of the Issuer and/or the Calculation Agent (Risk Category 3) (pages 22 to 26 of the Original CS Put and Call Securities Note):**
  - (a) Risks in connection with redemption of the Securities at the Unscheduled Termination Amount;
  - (b) Risks in connection with discretionary rights of the Calculation Agent and related termination rights of the Issuer;
  - (c) The Issuer of Securities may be substituted without the consent of Securityholders;
4. **Risks related to certain types of Securities and certain product features (Risk Category 4) (pages 29 and 32 of the Original CS Put and Call Securities Note):**
  - (a) Specific risks associated with Securities linked to a basket of Underlying Assets; and
  - (b) Interest rate risks;
5. **Risks in connection with the Underlying Assets or Reference Rates (Risk Category 5) (pages 49 to 52, 70-71 of the Original CS Put and Call Securities Note):**
  - (a) Risks associated with Reference Rates by reference to which any amount payable under the Securities is determined;

- (b) Risks in connection with regulation and reform of "Benchmarks";
6. **Risks in connection with the purchase, holding and selling of Securities (Risk Category 6) (pages 73 to 79 of the Original CS Put and Call Securities Note):**
- (a) Risks related to fluctuation in the market value of the Securities;
  - (b) Risks in connection with the secondary market in general;
  - (c) Risks in connection with a listing of Securities;
  - (d) Risks of Securities with an Issue Price or Offer Price above the market value of the Securities on the issue date/payment date (as supplemented by the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note);
  - (e) Risks in connection with conflicts of interest between the Issuer and holders of Securities and the entities involved in the offer or listing of the Securities (as supplemented by the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note);
  - (f) Hedging and dealing activities in relation to the Securities and the Underlying Asset(s);
  - (g) Risk of withdrawal of offering and/or cancellation of issue of Securities;
  - (h) Risk in connection with taxes or other charges that are levied in respect of the Securities;
  - (i) Risk in connection with transaction costs/charges; and
  - (j) Inflation risk.

**Risks specific to the credit-linked nature of the Securities**

1. **CREDIT-LINKED SECURITIES GENERALLY**

1.1 **Investors will be exposed to the creditworthiness of the Reference Entity or Reference Entities**

The Securities issued on the basis of the Asset Terms are credit-linked securities. In addition to the credit risk of the Issuer, payments on Credit-Linked Securities are subject to the creditworthiness of the Reference Entity or Reference Entities.

Unless principal protection or fixed recovery applies in relation to Credit-Linked Securities, if an Event Determination Date occurs, the Securities will be redeemed or cancelled in full or in part, as set out in the Asset Terms, by payment of the Credit Event Settlement Amount and the outstanding nominal amount of the Securities will be reduced by the related Credit Event Writedown Amount.

In the case of Credit-Linked Securities which are linked to a single Reference Entity or which are Nth-to-Default Credit-linked Securities, the Credit Event Writedown Amount will be equal to the entire outstanding nominal amount of each Security. The Credit Event Settlement Amount is likely to be considerably less than the entire outstanding nominal amount of each Security which means that Securityholders will accordingly suffer a loss of principal in such case.

In addition, if an Event Determination Date has occurred, interest on Credit-Linked Securities will cease to accrue on an amount equal to the Credit Event Writedown Amount as a result of such Event Determination Date from the start of the then-current interest accrual period. Securityholders will accordingly suffer a loss of interest in such case.

1.2 **Credit Events and events which may lead to the determination of a Successor may occur prior to the Trade Date**

An Event Determination Date may occur, or one or more successor Reference Entities be determined, as a result of a Credit Event, determination of a successor or a Sovereign Succession Event, as applicable, that took place prior to the Trade Date (save where the Specific Terms specifies that the Credit Event Backstop Date is the Trade Date). The Issuer shall have no obligation to notify Securityholders as to whether or not a Credit Event, determination of a successor or a Sovereign Succession Event has, or may have, taken place prior to the Trade Date.

1.3 **Reference Entities may change as a result of the determination of a successor Reference Entity or of Sovereign Succession Events**

Following the occurrence of:

- (a) certain corporate events relating to a corporate entity identified as a Reference Entity, such as a merger of the Reference Entity with another entity, a transfer of assets or liabilities by the Reference Entity or other similar event in which an entity succeeds to the obligations of another entity; or
- (b) certain specified events designated as Sovereign Succession Events relating to a sovereign entity identified as a Reference Entity, such as where two sovereign entities are unified to form a single sovereign entity or where a sovereign entity is split as a result of part of such entity becoming independent or declaring political independence,

in each case whether by operation of law or pursuant to any agreement, ISDA may publicly announce that a CDDC has resolved to treat a different entity or entities as the successor(s) to such original entity. If the Issuer determines that such CDDC resolution would apply for purposes of the Reference CDS, then the identity of the Reference Entity will be amended accordingly and Holders of Credit-Linked Securities will be exposed, to the creditworthiness of such successor Reference Entity in place of the original Reference Entity. Alternatively, absent a resolution of the CDDC, the Calculation Agent in respect of Credit-Linked Securities may, but will not be obliged to, make a determination that a different entity has become successor to the original Reference Entity. The effect of such amendment may be a material increase in the risk associated with an investment in the Securities, for example where the successor Reference Entity is more indebted than the original Reference Entity or is exposed to different business risks.

If a Reference Entity has more than one successor entity, then holders of Credit-Linked Securities will be exposed to the creditworthiness of multiple Reference Entities instead of or in addition to the original Reference Entity. The effect may be to materially increase the likelihood of a loss of principal and interest under Credit-Linked Securities as a result of a Credit Event occurring with respect to a number of Reference Entities rather than just one Reference Entity.

#### 1.4 **Investors will not have a claim against any Reference Entity or in respect of any Reference Obligations**

A purchase of Securities does not constitute an investment in, or short selling, the Reference Obligations or any other debt obligations of the Reference Entity, or of any interest in any such obligations. Securityholders will have rights solely against the Issuer of the Securities and will not have any rights against any Reference Entity. In particular, Securityholders will not have:

- (a) the right to vote or give or withhold from giving any consent in relation to any Reference Obligation or any other obligation of any Reference Entity;
- (b) the right to receive any coupons, fees or other distributions which may be paid by any Reference Entity to holders of the Reference Obligation or any of the other debt obligations of any Reference Entity; or
- (c) the right to receive any information from any Reference Entity.

Accordingly, an investment in the Securities is not equivalent to an investment in, or short selling of, any Reference Obligation or any other debt obligation of a Reference Entity.

#### 1.5 **The market value of the Securities may be affected by a wide variety of factors**

A number of factors, many of which are beyond the Issuer's control, will influence the value of the Securities. In addition to those factors which would affect the value of the Issuer's debt generally, factors specific to the Securities may include:

- (a) the financial condition and perceived creditworthiness of each Reference Entity;
- (b) the availability and payment profile of debt obligations of the Reference Entity;
- (c) liquidity and other technical factors affecting pricing in the credit default swap market;
- (d) the views of analysts at rating agencies; and
- (e) economic, financial, political, regulatory or judicial events that affect a Reference Entity or the markets for the debt securities of each Reference Entity.

Even where a Credit Event has not occurred, the market value of Credit-Linked Securities may be adversely affected when the probability or perceived probability of a Credit Event occurring in respect of

any specified Reference Entity increases. Conversely, the market value of Credit-Linked Securities may be adversely affected when the probability or perceived probability of a Credit Event occurring in respect of any specified Reference Entity decreases.

#### 1.6 **The Securities may be illiquid**

Due to the risks associated with the Securities, the Securities may be or become illiquid. The Issuer is not obliged to make a market in the Securities. Accordingly, Securityholders will bear the risk of being unable to liquidate the Securities or having to do so at a price which reflects the prevailing price for the credit risk of the Reference Entity which may lead to a loss of the amount invested.

### 2. **RISKS RELATING TO THE REFERENCE CDS**

#### 2.1 **Investors should ensure they understand the terms of the Reference CDS and associated risks**

The terms of the Credit-Linked Securities refer to a hypothetical credit default swap referencing each Reference Entity (the "**Reference CDS**"). Further information on the Reference CDS may be found in "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS ". The rights and options that would be exercisable by the buyer of credit risk protection under the Reference CDS shall be exercised by the Issuer (or, the Calculation Agent on its behalf). Where the terms of the Reference CDS require or entitle the calculation agent thereunder to make a determination, such determination shall be made or exercised by the Calculation Agent, acting in good faith and in a commercially reasonable manner. A full list of such determinations is set out at the end of "Part 2: Credit Default Swaps" of "Description of the Asset Terms and the Reference CDS ".

Prior to purchasing any Securities, investors should ensure that they understand the terms of the Reference CDS and the risks associated with entry into such transaction.

#### 2.2 **An investment in the Securities is not equivalent to entry into a Reference CDS**

The terms of the Reference CDS are used solely for the purposes of determining the amounts payable under the Securities, the timing of any such payments and other matters specified in the terms of the Securities. As an investor in the Securities, a Securityholder will not acquire any interest in, or rights under an actual credit default swap, either in relation to the Securities or otherwise. Furthermore, Securityholders may not benefit from rights that would be available to a seller of credit risk protection under a Reference CDS.

In particular in relation to Credit-Linked Securities:

- (a) Securityholders will not have the right (which would be available to a seller of credit risk protection under a Reference CDS) to trigger settlement (or partial settlement) of the Securities following the occurrence of a "Restructuring" Credit Event; such right will be exercisable solely by the Calculation Agent acting in the Issuer's interests; and
- (b) following such a Credit Event, where, as a result of limitations of the maturity of eligible debt obligations the Reference CDS would not automatically be settled by reference to an Auction organised by the relevant CDDC and auction administrators, Securityholders will not have the right (which would be available to a seller of credit protection under a Reference CDS) to elect that an auction being held for purposes of settling credit default swaps having a longer maturity than the Reference CDS be taken into account for such purposes.

Prior to purchasing any Securities, investors should ensure that they understand the terms of the Reference CDS and the risks associated with entry into such transaction.

### 3. **RISKS RELATING TO SETTLEMENT FOLLOWING A CREDIT EVENT**

#### 3.1 **Investors in Credit-Linked Securities are likely to suffer a loss of principal as a result of a Credit Event**

If an Event Determination Date occurs with respect to a Reference Entity there will be a reduction in the outstanding nominal amount of each Credit-linked Security. A Securityholder will receive a cash amount (the "**Credit Event Settlement Amount**"), which may be zero. The value Securityholders receive may be considerably less than the related reduction in the outstanding nominal amount of the Credit-linked Security, in which case Securityholders may suffer a loss on their investment in the Securities.

If the outstanding nominal amount of a Credit-linked Security is reduced to zero following the occurrence of an Event Determination Date, upon the performance by the Issuer of its obligations under these Asset

Terms with respect to such Event Determination Date (and, if the Securities are linked to multiple Reference Entities, in respect of any prior occurring Event Determination Dates (if any)), the Issuer will be discharged from its obligations and liabilities to Securityholders in respect of such Security, and such Security will be cancelled.

**3.2 Cash settlement may be less advantageous to an investor in Credit-Linked Securities than physical delivery of assets**

Payments (if any) on the Credit-Linked Securities following the occurrence of an Event Determination Date will be in cash and will reflect the value of relevant obligations of the affected Reference Entity at a given date. Such payments may be less than the recovery which would ultimately be realised by a holder of debt obligations of the affected Reference Entity, whether by means of enforcement of rights following a default or receipt of distributions following the commencement of insolvency proceedings or otherwise.

**3.3 Risks relating to settlement by reference to an auction organised by the relevant CDDC and auction administrators**

(a) Where, following the occurrence of an Event Determination Date, an Auction is organised by the relevant CDDC and auction administrators in relation to a Reference Entity and the Calculation Agent determines for purposes of the Credit-Linked Securities that such Auction would apply for purposes of settlement of a Reference CDS, the Credit Event Settlement Amount will be determined according to a bidding process to establish the value of certain eligible obligations of the Reference Entity, which may be loans, bonds or other obligations issued directly by the Reference Entity or obligations in respect of which the Reference Entity acts as guarantor or certain eligible assets. The Issuer or its affiliates may act as a participating bidder in any such auction and, in such capacity, may take certain actions which may influence the Auction Final Price including (without limitation) submitting bids, offers and physical settlement requests with respect to the obligations of the Reference Entity. If the Issuer or its affiliates participate in an Auction, then they will do so without regard to the interests of Securityholders, and such participation may have a material adverse effect on the outcome of the relevant Auction and/or on the Securities. Securityholders will have no right to submit bids and/or offers in an Auction.

(b) The Auction Final Price determined pursuant to an auction may be different from the market value that would otherwise have been determined in respect of the specified Reference Entity or its obligations. In particular, the Auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. The Issuer will have no responsibility to dispute any determination of an Auction Final Price or to verify that any Auction has been conducted in accordance with its rules.

(c) Following a Restructuring Credit Event in relation to which multiple concurrent auctions are organised by the relevant CDDC and auction administrators, but where there is no auction relating to credit derivative transactions with a maturity of the Reference CDS, if the Calculation Agent exercises the right that would be exercisable by the buyer of credit risk protection under the Reference CDS in respect of Credit-Linked Securities to elect that the Auction Final Price is determined by reference to an alternative Auction, the Auction Final Price so determined may be lower than the amount which would have been determined based on quotations sought from third party dealers.

**3.4 Risk relating to settlement by reference to bid prices obtained by the Calculation Agent**

If (and only if) the Calculation Agent determines that there is or will be no relevant Auction, the Credit Event Settlement Amount in respect of Credit-Linked Securities may (where cash settlement is the applicable fallback method) be determined by reference to the value of certain obligations of, or guaranteed by, the affected Reference Entity or eligible assets. Any quotations used in the calculation of the Cash Settlement Amount or Settlement Amount (as applicable) may be affected by factors other than just the occurrence of the Credit Event. Such prices may vary widely from dealer to dealer and substantially between dates on which such quotations are sought. The obligations or assets valued for these purposes may be illiquid and such illiquidity may be more pronounced following the occurrence of a Credit Event, thereby adversely affecting the value of such obligation which in turn will reduce the Credit Event Settlement Amount of the Credit-Linked Securities for such Event Determination Date. Such quotations will also be subject to bid-offer spreads, which may be particularly significant in distressed markets. The Issuer, exercising the rights and options that would be exercisable by the buyer or seller (as applicable) of credit risk protection under the Reference CDS, will be entitled to select obligations or assets for the purposes of valuation and in so doing will be entitled to select the eligible obligations or assets with such value in the market at the relevant time as will operate to reduce the Credit Event Settlement Amount payable to Securityholders.

**3.5 Risks relating to the delivery of asset packages in relation to Credit-Linked Securities**

In certain circumstances where (a) "Financial Reference Entity Terms" and "Governmental Intervention" applies in respect of a Reference Entity and there is (i) a Governmental Intervention Credit Event; or (ii) a Restructuring Credit Event in respect of the Reference Obligation where such Restructuring does not constitute a Governmental Intervention or (b) a Restructuring Credit Event occurs in respect of a Sovereign, then a related asset package may also be deliverable. The asset package would be treated as having the same outstanding principal as the corresponding prior deliverable obligation or package observable bond. An asset package may be comprised of obligations or instruments which are less valuable than the obligations which such asset package replaces, and there may be no market for such obligations or instruments.

If the resulting asset package is deemed to be zero where there are no resulting assets, the related credit loss will be 100 per cent. notwithstanding the recovery value on any other obligations of the Reference Entity.

The "Risks relating to settlement by reference to an auction organised by the relevant CDDC and auction administrators" above would apply to any asset or asset package, however these risks may be heightened given the lack of precedent for asset package events.

If an asset in the asset package is a non-transferable instrument or non-financial instrument, the value of such asset will be the market value determined by reference to a specialist valuation or in accordance with methodology determined by the CDDC. The "Risks Relating to Credit Derivatives Determinations Committees" below would apply to valuation in accordance with CDDC methodology, however these risks may be heightened given the lack of precedent for asset package events.

#### **4. POSTPONEMENT OF REDEMPTION AND SETTLEMENT SUSPENSION**

##### **4.1 Redemption of the Credit-Linked Securities may be deferred**

- (a) Prospective investors should note that redemption may be delayed if the Reference CDS will or may terminate after the Scheduled Maturity Date of the Securities. This may occur, for example, where:
- (i) a potential Credit Event such as a Failure to Pay or Repudiation/Moratorium has occurred prior to the Scheduled Termination Date of the Reference CDS and the termination of the Reference CDS is extended for a certain period beyond the Scheduled Termination Date; or
  - (ii) a resolution of a CDDC is pending.

This may have an adverse effect, amongst other things, on the accrual of interest in respect of Credit-Linked Securities. Any such delay may be material. Even where an Event Determination Date does not occur, interest payable to Securityholders of Credit-Linked Securities for the period following the Scheduled Maturity Date may be substantially lower than any coupon rate applicable to the Securities prior to such date.

##### **4.2 Settlement Suspension**

The obligations of the Issuer under the Securities (including any obligation to deliver any notices, pay any interest, principal or settlement amount or to make any delivery) may be suspended for a material period pending a resolution of a CDDC as to whether a Credit Event has occurred. Securityholders will not be compensated for any such delay and no interest shall accrue on any payments which are suspended.

#### **5. RISKS RELATING TO CREDIT DERIVATIVES DETERMINATIONS COMMITTEES**

##### **5.1 Resolutions of a CDDC may bind Securityholders**

Credit Derivative Determinations Committees (referred to in the terms of the Securities as "CDDCs") may make determinations as to the occurrence or non-occurrence of certain events in respect of credit default swap transactions. Such determinations include the occurrence or non-occurrence of Credit Events, the determination as to whether one or more entities should be treated as successors to a Reference Entity, whether one or more Auctions should take place in relation to a Reference Entity and the range of obligations of such Reference Entity, which may be direct loans, bonds or other obligations issued by the Reference Entity itself, or obligations in respect of which the Reference Entity is a guarantor, that should be taken into account in any such Auction. A CDDC may also resolve any other matter of contractual interpretation that is relevant to the credit derivatives market generally. To the extent that any such CDDC resolution would be effective for the purposes of a Reference CDS, such resolution will apply for the purposes of the Securities and will be binding on the Securityholders. In purchasing Securities, Securityholders are therefore subject to the risk that a third party body may make binding decisions which

could be adverse to their interests. The Issuer will not have any liability to the Securityholders as a result of any determination of the CDDC that would affect the Reference CDS.

**5.2 Members of a CDDC may have conflicts of interest and are not bound by precedent**

Institutions serving on a CDDC have no duty to research or verify information on which a specific determination is based. Institutions serving on a CDDC are under no obligation to vote in a particular manner and may be subject to conflicts of interest. In addition, a CDDC is not obliged to follow previous determinations and, therefore, could reach conflicting determinations on similar sets of facts.

The Issuer or its affiliates may be a member of a CDDC and as such may have conflicts of interest. In such case, the interests of the Issuer or its affiliates may be opposed to the Securityholders' interests and the Issuer or its affiliates will be entitled to and will act without regard to the Securityholders' interests as a holder of Securities.

**5.3 Securityholders will have no control over the composition of a CDDC**

The Securityholders will have no role in the composition of any CDDC. The composition of the CDDC will change from time to time, as the term of a member institution may expire or a member institution may be required to be replaced. The Securityholders will have no control over the process for selecting institutions to participate on the CDDC and, to the extent provided for in the Securities, will be subject to the determinations made by such selected institutions in accordance with the Rules.

**5.4 Securityholders will have no right to submit questions to a CDDC**

The Securityholders will not have any right to submit questions to or provide information to a CDDC, to challenge any CDDC resolution or determination of a CDDC or to request that any such determination or CDDC resolution be submitted for external review.

**5.5 Securityholders will have no recourse against ISDA, the DC Secretary or the members of a CDDC**

The Securityholders will have no recourse against ISDA, the institutions serving on the CDDC or any external reviewers. None of ISDA, the institutions serving on the CDDC or the external reviewers owe any duty to the Securityholders.

**5.6 Securityholders must inform themselves of the proceedings of the CDDCs**

The Securityholders will be responsible for obtaining information relating to the proceedings of CDDCs. None of the Issuer, the Calculation Agent or any of their respective affiliates will be obliged to inform the Securityholders of such information. Failure by the Securityholders to be aware of information relating to determinations of a CDDC will have no effect under the Securities.

**6. INFORMATION ON REFERENCE ENTITIES**

**6.1 The Specific Terms will not provide detailed information with respect to any Reference Entity**

The Specific Terms will not provide detailed information with respect to any Reference Entity. Unless otherwise indicated in the Specific Terms, any information contained in the Specific Terms in relation to a Reference Entity will be obtained from publicly available sources. In particular, Specific Terms will not describe any financial or other risks relating to the business or operations of any Reference Entity in general, or the debt obligations of each Reference Entity in particular. The Issuer does not make any representation or give any assurance as to the risks associated with the Reference Entity or an investment in the Securities which is subject to the creditworthiness of the relevant Reference Entity.

Prior to purchasing any Securities, Securityholders should ensure that they have made any investigations that they consider necessary as to the risks associated with each Reference Entity as well as credit spreads and the credit markets more generally.

**6.2 Public information relating to a Reference Entity may be incomplete, inaccurate or misleading**

Publicly available information in relation to a Reference Entity may be incomplete, inaccurate or misleading. The Issuer does not have any obligation to verify the accuracy of any such information. The Issuer does not make any representation that any such information is complete or accurate or not misleading.

Furthermore, the Issuer gives no assurance that all events occurring prior to the Trade Date or Issue Date (including events that would affect the accuracy or completeness of any publicly available documents) that would affect the creditworthiness of a Reference Entity have been publicly disclosed. Subsequent

disclosure of any such events or the disclosure of, or failure to disclose, material future events concerning a Reference Entity could affect its creditworthiness and therefore the market value of the Securities, the likelihood of an Event Determination Date occurring in relation to the relevant Reference Entity and the resulting Credit Event Settlement Amount.

**6.3 The Issuer or its affiliates may have or obtain information about a Reference Entity that will not be shared with the Securityholders**

The Issuer or its affiliates may currently or in the future engage in business with a Reference Entity, including acting as lender or advisor, dealing in each Obligation and accepting deposits from, making loans or otherwise extending credit to, and generally engaging in any kind of commercial or investment banking or other business with, a Reference Entity. The Issuer or its affiliates will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for the Securityholders should its actions adversely impact the amount payable to Securityholders. The Issuer or its affiliates may have, or in the course of its business may acquire, non-public information with respect to a Reference Entity that is, or may be, material in the context of the Securities. The Issuer may be prevented from, disclosing any such information to the Securityholders by law, regulation, or the order of a court or tribunal.

The Issuer is not under any obligation (i) to review on the Securityholders' behalf, the business, financial conditions, prospects, creditworthiness, status or affairs of any Reference Entity/Entities or conduct any investigation or due diligence into any Reference Entity/Entities or (ii) other than as may be required by applicable rules and regulations relating to the Securities, to make available (a) any information relating to the Securities or (b) any non-public information they may possess in respect of any Reference Entity/Entities.

Past performance of a Reference Entity cannot be considered to be a guarantee of, or a guide to, the future performance of such Reference Entities.

**7. OTHER RISKS RELATING TO CREDIT-LINKED SECURITIES**

**7.1 There may be increased risks associated with Credit-Linked Securities linked to multiple Reference Entities**

If the Securities are linked to multiple Reference Entities, then the probability that an Event Determination Date may occur in relation to any particular Reference Entity may be increased. The risk of default of Reference Entities may be correlated, in that adverse economic factors which apply to one Reference Entity may apply to other Reference Entities, or the default or decline in creditworthiness of a particular Reference Entity may itself adversely affect other Reference Entities. Such risks may be particularly significant where the Reference Entities are concentrated in a particular industry sector or geographical region.

If the Securities are Nth to Default Credit-linked Securities, there will be multiple Reference Entities, and Securityholders will be exposed as to the entirety of the outstanding nominal amount of the Securities to the creditworthiness of each of such Reference Entities. Accordingly the risk of investing in such Securities will be greater than the risk of investing in a security which includes only one of such entities as its sole Reference Entity.

If the Securities are Basket Credit-linked Securities, there will be multiple Reference Entities, and Securityholders will be exposed to the creditworthiness of each of the Reference Entities in the relevant basket in an amount equal to the applicable Reference Entity Notional Amount. Event Determination Dates may occur with respect to multiple Reference Entities.

**7.2 A Credit Event may occur even if the Issuer of the Credit-Linked Securities does not suffer any loss**

The Issuer's obligations under the Securities are irrespective of any loss which the Issuer may suffer as a result of the circumstances giving rise to a Credit Event. The Issuer is not required to suffer any such loss as a condition to making a determination as to the occurrence of a Credit Event, nor is it required to have any credit exposure to any Reference Entity at any time.

**7.3 Credit-Linked Securities linked to emerging markets entities may be particularly risky**

**7.4 If the Securities are linked to a sovereign or corporate Reference Entity which is or is domiciled in or has significant business exposure to an emerging market jurisdiction, Securityholders should note that emerging market economies may be particularly volatile. Such increased volatility may occur as a result of reliance on a limited number of commodity markets, exposure to levels of consumer or industrial**

demand in developed or other emerging market economies, capital inflows and outflows, currency exchange rates, corruption, political risk or civil unrest. Publicly available information, including official statistics, may be incorrect, incomplete or misleading, which could have an impact on investors given that such information may be used to determine the existence, or non-existence of a Credit Event in respect of that Reference Entity. Accordingly the risk of the occurrence of a Credit Event may be particularly high in relation to such Reference Entities.

**7.5 Credit Deterioration Requirement in respect of Credit-Linked Securities**

7.6 The NTCE Supplement contains amendments to the Credit Definitions addressing NTCEs. NTCEs are arrangements with corporations that cause a credit event leading to settlement of CDS contracts while minimising the impact on the corporation. Where the NTCE Supplement is incorporated into the terms of the Reference CDS (including by way of the Physical Settlement Matrix), a deterioration in the creditworthiness or financial condition of a Reference Entity will be required for the purposes of determining a Failure to Pay Credit Event, thereby limiting the circumstances in which a Failure to Pay Credit Event can occur. If the applicable Reference CDS in respect of Credit-Linked Securities does not incorporate the NTCE Supplement, a deterioration in the creditworthiness or financial condition of that Reference Entity will not be required for the purposes of determining a Failure to Pay Credit Event, which could increase the likelihood of a Credit Event and therefore losses occurring in respect of those Credit-Linked Securities.

**8. POTENTIAL CONFLICTS OF INTEREST**

**8.1 Calculations and determinations under the Securities**

In making calculations and determinations with regard to the Securities, there may be a difference of interest between the Securityholders, on the one hand, and the Issuer and the Calculation Agent, on the other. Save where otherwise provided in the terms and conditions, the Issuer and the Calculation Agent are required to act in good faith and in a commercially reasonable manner but do not have any obligations of agency or trust for any investors and have no fiduciary obligations towards them. In particular, the Issuer, the Calculation Agent and their affiliated entities may have interests in other capacities (such as other business relationships and activities). Prospective investors should be aware that rights or options exercised by the Issuer or determinations made by the Calculation Agent may have a negative impact on the value of the Securities. The Issuer, the Calculation Agent and/or any of their affiliates may engage in trading activities (including hedging activities) related to interests underlying any Securities and other instruments or derivative products based on or related to interests underlying any Securities for their proprietary accounts or for other accounts under their management. For example, the Issuer, the Calculation Agent and their affiliates may also issue other derivative instruments in respect of interests underlying any Securities for their proprietary accounts or for other accounts under their management.

Each of the relevant Issuer, the Calculation Agent or any of their respective affiliates may have existing or future business relationships with each other (including, but not limited to, lending, depository, derivative counterparty, risk management, advisory and banking relationships), and may pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Securityholder. For example, the Issuer, the Calculation Agent or their affiliates may act as underwriter in connection with future offerings of shares or other securities of, or guaranteed by, a Reference Entity or otherwise related to an issue of Securities may act as a lender and/or agent or trustee with respect to any loan or other financing to, or guaranteed by, a Reference Entity, and/or may act as financial adviser to companies whose securities impact the return on the Securities. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of the Securities.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with (a) the Original CS Put and Call Securities Note, and (b) the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note, except the documents incorporated by reference therein and to the extent of the information to be incorporated by reference as provided below, which shall be deemed to be incorporated by reference in, and form part of this Prospectus, save that any statement contained in any of the Original CS Put and Call Securities Note and the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note, shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The table below sets out the relevant page references for the information incorporated into this Prospectus by reference.

	Page reference
<b>Original CS Put and Call Securities Note (which can be accessed at <a href="https://derivative.credit-suisse.com/ux/gb/en/document/get/id/688649EE-0B38-417B-B304-EA68CF0EC793">https://derivative.credit-suisse.com/ux/gb/en/document/get/id/688649EE-0B38-417B-B304-EA68CF0EC793</a>)</b>	
Risk Factors	20 to 79
Use of Proceeds	100
Overview of the Potential for Discretionary Determinations by the Issuer	101 to 112
General Terms and Conditions of Notes	115 to 149
Clearing Arrangements	668 to 670
Taxation	672 to 720
Selling Restrictions	722 to 735
<b>Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note (which can be accessed at <a href="https://derivative.credit-suisse.com/ux/gb/en/document/get/id/C8EFBDBB-7FC8-489A-8005-46A535E408D0">https://derivative.credit-suisse.com/ux/gb/en/document/get/id/C8EFBDBB-7FC8-489A-8005-46A535E408D0</a>)</b>	
Amendment to the section entitled "Risk Factors" in each Securities Note (as such amendments relate to the CS Put and Call Securities Note)	2
Amendment to the section entitled "Selling Restrictions" in each Securities Note (as such amendments relate to the CS Put and Call Securities Note)	13

For the avoidance of doubt, any information not incorporated by reference from the CS Put and Call Securities Note is not relevant for the investor in respect of the Securities or is otherwise covered elsewhere in this Prospectus.

Copies of the Prospectus (consisting of this Summary and Securities Note and the Registration Document) and the documents incorporated by reference are available on the website of the Luxembourg Stock Exchange (<https://www.bourse.lu/issuer/CreditSuisseAG/37812>) and website of the Issuer at <https://derivative.credit-suisse.com/uk/gb/en/>.

Investors who have not previously reviewed the information incorporated by reference in this Prospectus from the CS Put and Call Securities Note and the Registration Document should do so in connection with their evaluation of the Securities.

Terms defined in the General Conditions or the Asset Terms shall have the same meaning herein unless otherwise defined in the Specific Terms (as defined below).

In the event of any inconsistency between (a) the Specific Terms and (b) the General Conditions or the Asset Terms, the Specific Terms will prevail.

## SPECIFIC TERMS

The Securities will be subject to the General Conditions (in each case, as defined and incorporated by reference in "Documents Incorporated by Reference" above and as set out in the CS Put and Call Securities Note (as incorporated by reference herein)), and also to the following provisions (the "**Specific Terms**") and the Asset Terms for Credit-Linked Securities set out at Annex II of the Specific Terms ("**Asset Terms**"). Each reference in such General Conditions to the "Issue Terms" shall be deemed to be deleted and replaced by the "Specific Terms". For the avoidance of doubt, the seventh paragraph of the General Conditions (on page 116 of the Original CS Put and Call Securities Note ) applies with regard to the order of priority of the above terms.

### PART A – CONTRACTUAL TERMS

1.	Series Number	2022-2052
2.	Tranche Number:	Not Applicable
3.	Applicable General Terms and Conditions:	General Note Conditions
4.	Type of Security:	Not Applicable
5.	Settlement Currency:	Euro (" <b>EUR</b> ")
6.	Institutional:	Not Applicable
	<b>PROVISIONS RELATING TO NOTES AND CERTIFICATES</b>	Applicable

7.	Aggregate Nominal Amount:	
	(i) Series:	Up to EUR 100,000,000
	(ii) Tranche:	Not Applicable
8.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
9.	Specified Denomination:	EUR 10,000 per Security
10.	Minimum Transferable Number of Securities:	One Security
11.	Transferable Number of Securities:	Not Applicable
12.	Minimum Trading Lot:	EUR 10,000 (and integral multiples of EUR 10,000 in excess thereof)
13.	Issue Date:	31 May 2022
14.	Maturity Date:	20 December 2028 (the " <b>Scheduled Maturity Date</b> "), provided that the maturity of the Securities shall be subject to the Asset Terms for Credit-linked Securities.
15.	Coupon Basis:	Applicable:  Fixed Rate Provisions  Floating Rate Provisions
16.	Redemption/Payment Basis:	As set out in paragraph 2 of the Asset Terms for Credit-Linked Securities
17.	Put/Call Options:	Not Applicable
	<b>PROVISIONS RELATING TO WARRANTS</b>	Not Applicable

*(Paragraphs 18 to 28 have been intentionally deleted)*

## PROVISIONS RELATING TO COUPON AMOUNTS

29. Fixed Rate Provisions (General Note Condition 4): Applicable, subject to Asset Terms 2.11 (*Accrual of Interest*) and 4 (*Adjustment to Event Determination Date and Related Payments*) and paragraph 32 (*Other Coupon Provisions*).
- (i) Rate of Interest: A rate ranging between 1.30 – 2.00 per cent per annum, such rate to be determined at the end of the Offer Period and notified to investors by way of a notice published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))
  - (ii) Interest Commencement Date: Issue Date
  - (iii) Interest Payment Date(s): 20 December 2022 and 20 December 2023 subject to adjustment in accordance with the Business Day Convention.
  - (iv) Interest Period: In respect of these Fixed Rate Provisions, with respect to the first Interest Payment Date, the period from and including the Interest Commencement Date to and excluding such Interest Payment Date, and with respect to any other Interest Payment Date, the period from and including the immediately preceding Interest Payment Date to and excluding such Interest Payment Date.
  - (v) Business Day Convention: Following Business Day Convention
  - (vi) Interest Amount(s) per Security: As determined in accordance with General Note Condition 4, and subject to the Asset Terms and paragraph 32 (*Other Coupon Provisions*).
  - (vii) Day Count Fraction: 30/360 (unadjusted basis)
  - (viii) Determination Date(s): Not Applicable
  - (ix) Fee Calculation Factor Deduction: Not Applicable
  - (x) Trade Date: See paragraph 64(ii)
30. Floating Rate Provisions (General Note Condition 4): Applicable, subject to Asset Terms 2.11 (*Accrual of Interest*) and 4 (*Adjustment to Event Determination Date and Related Payments*) and paragraph 32 (*Other Coupon Provisions*).
- (i) Interest Commencement Date: 20 December 2023
  - (ii) Interest Payment Date(s): 20 December of each year, the first Interest Payment Date being 20 December 2024 and the last Interest Payment Date being the Scheduled Maturity Date, subject to adjustment in accordance with the Business Day Convention.
  - (iii) Interest Period: In respect of these Floating Rate Provisions, with respect to any Interest Payment Date, the period from and including the Interest Commencement Date to and excluding such Interest Payment Date, and with respect to any other Interest Payment Date, the period from and including the immediately preceding Interest Payment Date to and excluding such Interest Payment Date.
  - (iv) Business Day Convention: Following Business Day Convention

(v)	ISDA Determination:	Applicable
	Floating Rate Option	EUR-EURIBOR-Reuters, provided that the last sentence of the "EUR-EURIBOR-Reuters" definition shall be deleted and replaced with the following:  "If such rate does not appear on the Reuters Screen EURIBOR01 Page, the rate for that Reset Date will be determined by the Calculation Agent acting in a commercially reasonable manner."
	Designated Maturity	12 months, provided that if the relevant Interest Period is shorter or longer than the Designated Maturity, the Floating Rate Option for such period will be determined by Linear Interpolation,  Where:  " <b>Linear Interpolation</b> " means the method for determining the Floating Rate Option for a relevant Interest Period on the basis of two reference rates for the two periods which are the next shortest and next longest period as compared to the length of such Interest Period.
	Reset Date	The first calendar day of each Interest Period
	ISDA Definitions	As per the Conditions
(vi)	Screen Rate Determination:	Not Applicable
(vii)	Margin(s):	Not Applicable
(viii)	Minimum Rate of Interest:	A rate ranging between 1.30 – 2.00 per cent per annum, such rate to be determined at the end of the Offer Period and notified to investors by way of a notice published on the website of the Luxembourg Stock Exchange (www.bourse.lu).
(ix)	Maximum Rate of Interest:	5 per cent per annum
(x)	Day Count Fraction:	Actual/360 (adjusted)
(xi)	Determination Date(s):	Not Applicable
(xii)	Rate Multiplier:	Not Applicable
(xiii)	Fee Calculation Factor Deduction:	Not Applicable
(xiv)	Alternative Pre-nominated Reference Rate:	Not Applicable
(xv)	Cut-off Date:	Not Applicable
(xvi)	Trade Date:	See paragraph 64(ii)
31.	Premium Provisions (General Note Condition 4):	Not Applicable
32.	Other Coupon Provisions (Product Condition 2):	If, on any Interest Payment Date, an event has occurred which would, under the terms of the Reference CDS, result in an Event Determination Date being deemed to have occurred on or prior to such date (or, in the case of a "Potential Failure to Pay" under the Reference CDS, following such date), payment of interest on the Securities will be deferred, to the extent of any possible reduction in the amount of such interest in accordance with Asset Term 2.11 (Accrual of Interest), to a date

selected by the Calculation Agent and falling not later than 5 Business Days after the date on which it is no longer possible for such Event Determination Date to occur (or an earlier date selected by the Calculation Agent for such purpose). Asset Term 2.2 (Reduction in Outstanding Nominal Amount following Event Determination Date) shall apply as though the Event Determination Date had occurred prior to the Interest Payment Date in question. Paragraph 2.4(c) of the Asset Terms shall not apply, and no deferred interest or other compensation payment shall be payable to the Securityholders in respect of any deferral of interest or principal in accordance with the Asset Terms or as set out above.

#### PROVISIONS RELATING TO REDEMPTION/SETTLEMENT

33.	Redemption Amount:	As set out in paragraph 2 of the Asset Terms for Credit-Linked Securities
34.	Initial Setting Date:	Not Applicable
35.	Initial Averaging Dates:	Not Applicable
36.	Final Fixing Date:	Not Applicable
37.	Averaging Dates:	Not Applicable
38.	Final Price:	Not Applicable
39.	Redemption Final Price:	Not Applicable
	(i) Redemption Final Price Cap:	Not Applicable
	(ii) Redemption Final Price Floor:	Not Applicable
40.	Strike Price:	Not Applicable
	(i) Strike Cap:	Not Applicable
	(ii) Strike Floor:	Not Applicable
41.	Trigger Redemption (Product Condition 3(c)):	Not Applicable
42.	Details relating to Instalment Securities:	Not Applicable
43.	Call/Put Option Provisions for Open-ended Securities (Product Condition 3(f)):	Not Applicable
44.	Physical Settlement Provisions (Product Condition 4):	Not Applicable
45.	Put Option:	Not Applicable
46.	Call Option:	Not Applicable
47.	Unscheduled Termination Amount:	
	(i) Unscheduled Termination at Par:	Not Applicable
	(ii) Minimum Payment Amount:	Not Applicable

(iii)	Deduction for Hedge Costs:	Not Applicable
48.	Payment Disruption:	Not Applicable
49.	Interest and Currency Rate Additional Disruption Event:	Not Applicable

#### UNDERLYING ASSET(S)

50.	List of Underlying Asset(s):	See Table of Reference Entities attached as Annex I to Part B "Other Information"
51.	Equity-linked Securities:	Not Applicable
52.	Index-linked Securities:	Not Applicable
53.	Commodity-linked Securities:	Not Applicable
54.	Commodity Index-linked Securities:	Not Applicable
55.	ETF-linked Securities:	Not Applicable
56.	ETC-linked Securities:	Not Applicable
57.	FX-linked Securities:	Not Applicable
58.	FX Index-linked Securities:	Not Applicable
59.	Inflation Index-linked Securities:	Not Applicable
60.	Interest Rate Index-linked Securities:	Not Applicable
61.	Cash Index-linked Securities:	Not Applicable
62.	Multi-Asset Basket-linked Securities:	Not Applicable
63.	Fund-linked Securities:	Not Applicable
64.	Credit-linked Securities	Applicable
(i)	Type:	Basket Credit-linked Securities
(ii)	Trade Date:	23 May 2022
(iii)	Scheduled Termination Date:	Scheduled Maturity Date
(iv)	Reference Entities:	Each Reference Entity specified in the Table of Reference Entities attached at Annex I to Part B "Other Information (the " <b>Table of Reference Entities</b> ")
(v)	Reference Entity Notional Amount(s):	As determined in accordance with the Asset Terms for Credit-linked Securities
(vi)	Reference Obligation(s):	Standard Reference Obligation: Applicable.  Non Standard Reference Obligation (applicable in respect of each Reference Entity prior to publication of a Standard Reference Obligation in respect thereof): as set out in the Table of Reference Entities.
(vii)	Transaction Type:	Applicable: As set out in the Table of Reference Entities.  Seniority Level: Senior
(viii)	Financial Reference Entity Terms:	Not Applicable

- (ix) All Guarantees: In respect of the Reference Entities with Standard European Corporate Transaction Type: Applicable
- In respect of the Reference Entities with Standard North American Corporate Transaction Type: Not Applicable
- (x) Credit Events: In respect of the Reference Entities with Standard European Corporate Transaction Type:
- Bankruptcy
  - Failure to Pay; and
  - Restructuring.
- Mod Mod R will apply  
Partial Exercise following Restructuring will apply
- In respect of the Reference Entities with Standard North American Corporate Transaction Type:
- Bankruptcy; and
  - Failure to Pay.
- Default Requirement: USD 10,000,000 (or equivalent in the relevant Obligation Currency)  
Payment Requirement: USD 1,000,000 (or equivalent in the relevant Obligation Currency)
- (xi) Publicly Available Information: Available Publicly Available Information: Applicable
- Specified Number: 2
- (xii) Obligations:
- (a) Obligation Category: Borrowed Money
- (b) Obligation Characteristics: None
- (c) Additional Obligation(s): Not Applicable
- (d) Excluded Obligation(s): Not Applicable
- (xiii) Deliverable Obligations:
- (a) Deliverable Obligation Category: Bond or Loan
- (b) Deliverable Obligation Characteristics: Not Subordinated
- Specified Currency
- Not Contingent
- Assignable Loan
- Consent Required Loan
- Transferable
- Maximum Maturity: 30 years
- Not Bearer

	(c)	Additional Deliverable Obligation:	Not Applicable
	(d)	Excluded Deliverable Obligation:	Not Applicable
	(e)	Asset Package Delivery:	Not Applicable
	(xiv)	Subordinated Insurance Terms:	European Not Applicable
	(xv)	Leveraged Securities:	Credit-linked Not Applicable
	(a)	Leverage Factor:	Not Applicable
	(xvi)	Principal Protected Credit-linked Securities:	Not Applicable
	(xvii)	Zero Recovery Securities:	Credit-linked Not Applicable
	(xviii)	Settlement Deferral:	Not Applicable
	(xix)	Break Funding Amount:	Applicable
	(xx)	Additional provisions relating to Credit-linked Securities, including any amendment or variation to the Reference CDS or Asset Terms for Credit-linked Securities:	Not Applicable
	(xxi)	2019 Narrowly Tailored Credit Event Provisions:	Applicable
65.		Valuation Time:	Not applicable
<b>GENERAL PROVISIONS</b>			
66.	(i)	Form of Securities:	Bearer Securities
	(ii)	Global Security:	Applicable
	(iii)	Held under the NSS:	Not Applicable
	(iv)	Intended to be held in a manner which would allow Eurosystem eligibility:	No
	(v)	The Issuer intends to permit indirect interests in the Securities to be held through CREST Depository Interests to be issued by the CREST Depository:	Not Applicable
67.		Financial Centre(s):	London, New York and TARGET
68.		Business Centre(s):	London, New York and TARGET
69.		Listing and Admission to Trading:	Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect, on or around the Issue Date, provided, however, no assurance can be given that such application for listing and

admission to trading will be granted (or, if granted, will be granted by the Issue Date or any specific date thereafter)

70. Security Codes and Ticker Symbols:
- |                        |                |
|------------------------|----------------|
| ISIN:                  | XS2387488286   |
| Common Code:           | 238748828      |
| Swiss Security Number: | Not Applicable |
| Telekurs Ticker:       | Not Applicable |
| WKN Number:            | Not Applicable |
71. Clearing and Trading:
- |   |   |
|---|---|
| Clearing System(s) and any relevant identification number(s): | Clearstream Banking, S.A.<br>Euroclear Bank S.A./N.V. |
|---|---|
72. Delivery:
- |           |                          |
|-----------|--------------------------|
| Delivery: | Delivery against payment |
|-----------|--------------------------|
73. Agents:
- |                    |  |
|--------------------|--|
| Calculation Agent: | Credit Suisse International<br>One Cabot Square<br>London E14 4QJ                                    |
| Fiscal Agent:      | The Bank of New York Mellon, acting through its London Branch<br>One Canada Square<br>London E14 5AL |
| Paying Agent(s):   | The Bank of New York Mellon, acting through its London Branch<br>One Canada Square<br>London E14 5AL |
| Additional Agents: | Not Applicable   |
74. Dealer(s):
- |            |                             |
|------------|-----------------------------|
| Dealer(s): | Credit Suisse International |
|------------|-----------------------------|
75. Specified newspaper for the purposes of notices to Securityholders:
- |   |                |
|---|----------------|
| Specified newspaper for the purposes of notices to Securityholders: | Not Applicable |
|---|----------------|
76. 871(m) Securities:
- |                    |  |
|--------------------|--|
| 871(m) Securities: | The Issuer has determined that the Securities (without regard to any other transactions) should not be treated as transactions that are subject to U.S. withholding tax under section 871(m) |
|--------------------|--|
77. Prohibition of Sales to EEA Retail Investors:
- |   |                |
|---|----------------|
| Prohibition of Sales to EEA Retail Investors: | Not Applicable |
|---|----------------|
78. Prohibition of Sales to UK Retail Investors:
- |  |   |
|--|---|
| Prohibition of Sales to UK Retail Investors: | Applicable – see the cover page of this Securities Note |
|--|---|
79. Additional U.S. Tax Selling Restrictions:
- |   |  |
|---|--|
| Additional U.S. Tax Selling Restrictions: | Applicable – see "Additional U.S. Tax Selling Restrictions" under "United States", as set out in the section headed "Selling Restrictions" in the Original CS Put and Call Securities Note (as supplemented by the Supplement Dated 3 August 2021 to the Original CS Put and Call Securities Note) |
|---|--|
80. Additional Provisions:
- |                        |                |
|------------------------|----------------|
| Additional Provisions: | Not applicable |
|------------------------|----------------|

## PART B – OTHER INFORMATION

### Terms and Conditions of the Offer

1. Offer Price: The Offer Price will be equal to the Issue Price.  
See item 11 below for information on applicable fees.
2. Total amount of the offer. If the amount is not fixed, an indication of the maximum amount of the Securities to be offered (if available) and a description of the arrangements and time for announcing to the public the definitive amount of the offer: Up to EUR 100,000,000.  
To be determined on the basis of the demand for the Securities and prevailing market conditions and published in accordance with Article 17 of the Prospectus Regulation.
3. Conditions (in addition to those specified in the Prospectus) to which the offer is subject: The offer of the Securities is conditional on their issue.  
The Issuer reserves the right to withdraw the offer for any reason at any time during the offer period and/or to cancel the issue of the Securities for any reason at any time on or prior to the Issue Date.  
For the avoidance of doubt, if any application has been made by a potential investor and the Issuer exercises such a right, each such potential investor will not be entitled to subscribe or otherwise purchase any Securities. The Distributor will repay the Offer Price and any commission paid by any investor without interest.
4. The time period during which the offer will be open ("**Offer Period**"): An offer of the Securities will be made in Portugal during the period from, and including, 21 April 2022 to, and including, 15:00 CET on 20 May 2022.  
The Offer Period may be discontinued at any time. Notice of the early closure of the Offer Period will be made to investors by appropriate means (and also through a notice published on the Distributor's website). See further the section entitled "Details of the minimum and/or maximum amount of application" set out in item 7 below.
5. Description of the application process: Prospective investors may apply to the Distributor to subscribe for Securities in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally.  
Investors will be notified by the Distributor of the amount allotted.  
Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer in relation to the subscription for the Securities.
6. Description of the possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable.
7. Details of the minimum and/or maximum amount of application: There is no minimum amount of application.  
All of the Securities requested through the Distributor during the Offer Period will be assigned up to the maximum amount of the offer.

In the event that requests exceed the total amount of the offer, the Distributor will close the Offer Period early, pursuant to item 4 above.

8. Details of the method and time limits for paying up and delivering the Securities: Payments for the Securities shall be made to the Distributor in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally, as instructed by the Distributor.
- The Securities are expected to be delivered to the purchasers' respective book entry securities accounts on or around the date as notified by the Distributor.
9. Manner in and date on which results of the offer are to be made public: The results of the offer will be published on the Distributor's website following the closing of the Offer Period on or around 20 May 2022 or, if such websites are not available, the results of the offer will be available upon request from the Distributor.
10. Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Applicants will be notified by the Distributor of the success of their application. No dealing may begin before notification is made.
11. Amount of any expenses and taxes specifically charged to the subscriber or purchaser: The Securities will be sold by the Dealer to the Distributor(s) at a discount of up to 2.50 per cent. of the Offer Price per Security. Such discount represents the fee retained by the Distributor(s) out of the Offer Price paid by investors. The Offer Price and the terms of the Securities take into account such fee and may be more than the market value of the Securities on the Issue Date. The Issuer is not aware of any expenses or taxes specifically charged to the subscriber and not disclosed herein.
12. Name(s), address(es) legal entity identifier(s), and law and country of incorporation, to the extent known to the Issuer, of the placers ("**Distributors**") in the various countries where the offer takes place: Abanca Corporación Bancária S.A., incorporated in and governed by the laws of Spain, with registered office at Sucursal em Portugal, Rua Castilho, n.º 20, 1250-069 Lisboa, LEI 549300561RBXK0Q1FP96.
13. Consent: The Issuer consents to the use of the Prospectus by the financial intermediary/ies ("**Authorised Offeror(s)**"), during the Offer Period and subject to the conditions, as provided as follows:
- (a) Name and address of Authorised Offeror(s): See item 12 above.
  - (b) Offer period for which use of the Prospectus is authorised by the Authorised Offeror(s): Offer Period.
  - (c) Conditions to the use of the Prospectus by the Authorised Offeror(s): The Prospectus may only be used by the Authorised Offeror(s) to make offerings of the Securities in the jurisdiction(s) in which the Non-exempt Offer is to take place.

**If you intend to purchase Securities from an Authorised Offeror, you will do so, and such offer and sale will be**

made, in accordance with any terms and other arrangements in place between such Authorised Offeror and you, including as to price and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, the Prospectus does not contain any information relating to such arrangements. The terms and conditions of such offer should be provided to you by that Authorised Offeror at the time the offer is made. Neither the Issuer nor any Dealer has any responsibility or liability for such information provided by that Authorised Offeror.

**Interests of Natural and Legal Persons involved in the Offer**

So far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer, save for any fees payable to the Distributor(s).

The Securities will be sold by the Dealer to the Distributor(s) at a discount of up to 2.50 per cent. of the Offer Price per Security. Such discount represents the fee retained by the Distributor(s) out of the Offer Price paid by investors. The Offer Price and the terms of the Securities take into account such fee and may be more than the market value of the Securities on the Issue Date.

**Performance of the Underlying Asset and other information concerning the Underlying Asset**

Information on each of the Reference Entities is available at the following respective websites free of charge (but the information appearing on such websites do not form part of this Prospectus or the terms and conditions of the Securities, and have not been scrutinised or approved by the competent authority):

Bayerische Motoren Werke AG - <https://www.bmwgroup.com/>

BorgWarner Inc - <https://www.borgwarner.com>

Bouygues SA - <https://www.bouygues.com/>

Koninklijke KPN NV – <https://www.kpn.com/>

Thales SA - <https://www.thalesgroup.com/>

Information about the past and future performance and volatility of a credit default swap referencing each Reference Entity may be obtained from the Issuer upon request or Bloomberg, at the tickers below in respect of each Reference Entity (at the date of this Prospectus):

Reference Entity	Reference Entity ticker	Reference Obligation ticker	Reference Obligation ISIN
Bayerische Motoren Werke AG	BMW CDS EUR SR 7Y D14	BMW 0 3/4 07/12/24	XS1548436473
BorgWarner Inc	BWA CDS USD SR 7Y D14	BWA 3 3/8 03/15/25	US099724AJ55
Bouygues SA	ENFP CDS EUR SR 7Y D14	ENFP 3 5/8 01/16/23	FR0011332196
Koninklijke KPN NV	KPN CDS EUR SR 7Y D14	KPN 5 5/8 09/30/24	XS0454773713
Thales SA	HOFP CDS EUR SR 7Y D14	HOFP 0 3/4 06/07/23	XS1429027375

However, past performance is not indicative of future performance.

**EU BENCHMARK REGULATION**

Details of benchmarks administrators and registration under Regulation (EU) 2016/1011 (the "EU Benchmark Regulation"):

EURIBOR is provided by the European Money Markets Institute. As at the date hereof, the European Money Markets Institute appears in the register of administrators and benchmarks established and maintained by the

**POST-ISSUANCE INFORMATION**

The Issuer will not provide any post-issuance information with respect to the Underlying Assets, unless required to do so by applicable law or regulation.

**REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- |       |                           |   |
|-------|---------------------------|---|
| (i)   | Reasons for the offer:    | The net proceeds from the offer of the Securities will be used by the Issuer for its general corporate purposes (including hedging arrangements). |
| (ii)  | Estimated net proceeds:   | 100% of subscription amount.  |
| (iii) | Estimated total expenses: | Not Applicable; there are no estimated expenses charged to the investor by the Issuer.  |

**ANNEX I - REFERENCE ENTITIES**

<b>Reference Entity</b>	<b>Non Standard Reference Obligation (ISIN)</b>	<b>Reference Entity Weighting</b>	<b>Transaction Type</b>	<b>Address</b>	<b>Country of Incorporation</b>	<b>Industry</b>	<b>Name of market on which securities are admitted</b>
Bayerische Motoren Werke AG	XS1548436473	1/5	Standard European Corporate	Petuelring 130 Munich, 80788 Germany	Germany	Automobiles Manufacturing	Stock listed on Deutsche Börse Xetra
BorgWarner Inc	US099724AJ55	1/5	Standard North American Corporate	3850 Hamlin Road Auburn Hills, MI, 48326 United States	USA	Auto Parts Manufacturing	Stock listed on New York Stock Exchange
Bouygues SA	FR0011332196	1/5	Standard European Corporate	32 Avenue Hoche Paris, 75008 France	France	Industrial Other	Stock listed on Euronext Paris
Koninklijke KPN NV	XS0454773713	1/5	Standard European Corporate	Wilhelminakade 123 Rotterdam, 3072 AP Netherlands	The Netherlands	Wireless Telecommunications Services	Stock listed on Euronext Amsterdam
Thales SA	XS1429027375	1/5	Standard European Corporate	Tour Carpe Diem 31 Place des Corolles, CS 2000 Paris La Defense, 92098 France	France	Aerospace & Defense	Stock listed on Euronext Paris

## ANNEX II –

### ASSET TERMS FOR CREDIT-LINKED SECURITIES

The following asset terms (the "**Asset Terms**") modify the General Note Conditions shall, subject to the provisions of the Specific Terms, apply to Securities if stated in the Specific Terms to be "**Credit-linked Securities**".

#### 1. THE REFERENCE CDS

##### 1.1 The Reference CDS is a Hypothetical Credit Default Swap

For the purposes of making calculations under the Securities only (and for no other purpose), the Issuer is assumed to have entered into a hypothetical credit default swap transaction (the "**Reference CDS**") as a buyer of credit risk protection on the Trade Date specified in the Specific Terms with a market counterparty of the highest creditworthiness acting as seller of credit risk protection.

##### 1.2 Terms of the Reference CDS

The terms of the Reference CDS are determined as follows:

- (a) The Reference CDS is assumed to have been entered into on the basis of the 2014 ISDA Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. (together with any successors, "**ISDA**") (the "**2014 Definitions**") and as further supplemented or amended or amended as may be set out in the Specific Terms. The Reference CDS is assumed to be subject to English law.
- (b) Where the Specific Terms specifies a "Transaction Type" in relation to a Reference Entity, the relevant terms of the Reference CDS as applicable to such Reference Entity shall, except to the extent otherwise specified in the Specific Terms, be determined by reference to a Credit Derivatives Physical Settlement Matrix published by ISDA as of the relevant Trade Date specified in the Specific Terms.
- (c) Where the Securities are Nth to Default Credit-linked Securities (as specified in the Specific Terms), the Nth to Default Standard Terms Supplement (as published by ISDA on September 22, 2011) (the "**Nth to Default Standard Terms Supplement**") shall, except to the extent specified in the Specific Terms, apply, for which purpose "N" shall be the number specified as such in the Specific Terms).
- (d) Any remaining terms of the Reference CDS shall be as set out in the Specific Terms.
- (e) The terms of the Reference CDS shall be assumed to have been amended in accordance with any protocol published by ISDA which amends the terms of credit default swap transactions of the same type (including as to the applicable Reference Entities) as the Reference CDS generally, provided that the Issuer and its affiliates have adhered to such protocol in respect of credit derivatives transactions to which they are a party generally. In such case the Issuer shall, without the requirement for the consent of the Securityholders, amend the terms of the Securities as it considers necessary, acting reasonably, to take account of such modification to the Reference CDS. The Issuer shall notify the Securityholders (in accordance with Condition 14) of any such modifications, as soon as reasonably practicable upon becoming aware thereof.

##### 1.3 Rights, Options and Determinations under the Reference CDS

The rights and options that would be exercisable by the buyer of credit protection under the Reference CDS shall be exercised by the Issuer (or the Calculation Agent on its behalf).

Where the terms of the Reference CDS require or entitle the calculation agent thereunder to make a determination, such determination shall be made or exercised by the Calculation Agent, acting in good faith and in a commercially reasonable manner.

Neither the Issuer nor the Calculation Agent shall be entitled to and they shall not exercise any right or option or make any determination which would be a right or option of the protection seller under the Reference CDS or, as applicable, would be a determination which the protection seller would be entitled to make thereunder.

## 2. REDEMPTION

### 2.1 Redemption on Scheduled Maturity Date

Unless previously redeemed, or purchased by the Issuer and cancelled and subject to the remaining provisions of this Asset Term 2, each Security shall be redeemed on the Scheduled Maturity Date by the Issuer at its Outstanding Nominal Amount (as reduced in accordance with Asset Term 2.2 (*Reduction in Outstanding Nominal Amount following Event Determination Date*)) less a pro rata proportion of the Reference Entity Notional Amount (or, if applicable, the relevant Exercise Amount) of any Reference Entity for which an Event Determination Date has occurred under the Reference CDS but the related Credit Event Settlement Date has not yet occurred.

### 2.2 Reduction in Outstanding Nominal Amount following Event Determination Date

On each Event Determination Date (save where the Specific Terms specifies that the Credit Event Backstop Date is the Trade Date, in which case an Event Determination Date relating to a Credit Event which occurred prior to the Trade Date shall not be taken into account for the purposes of the Securities), the Outstanding Nominal Amount of each Security will be reduced by an amount equal to the applicable Credit Event Writedown Amount for such Security. If the Outstanding Nominal Amount of a Security is reduced to zero on an Event Determination Date then, upon the performance by the Issuer of its obligations under these Asset Terms with respect to such Event Determination Date and all prior occurring Event Determination Dates (including payment of any related Credit Event Settlement Amount (if applicable)), the Issuer will be discharged from its obligations and liabilities to the Securityholder in respect of such Security, and such Security will forthwith be cancelled by the Paying Agent.

### 2.3 Payment of Credit Event Settlement Amount

On each Credit Event Settlement Date, unless such payment is deferred in accordance with Asset Term 2.8 (*Settlement Deferral*) or suspended in accordance with Asset Term 2.9 (*Settlement Suspension*) below, the Issuer shall pay to each Securityholder the relevant Credit Event Settlement Amount (as defined below) related to each Security.

### 2.4 Redemption at Extended Maturity Date

If, as at the Scheduled Maturity Date, an Event Determination Date could, under the terms of the Reference CDS, occur or be determined following the Scheduled Maturity Date in respect of any Reference Entity (including in relation to a Credit Event which has occurred on or prior to such date), redemption of the Securities in accordance with Asset Term 2.1 (*Redemption on Scheduled Maturity Date*) will be deferred, to the extent of the maximum possible Credit Event Writedown Amount which could be determined as a result, to a date (the "**Extended Maturity Date**") selected by the Calculation Agent and falling not later than five Business Days after the date on which it is no longer possible for an Event Determination Date to occur (or any earlier date selected by the Calculation Agent for such purpose). In such case:

- (a) the Calculation Agent, acting on behalf of the Issuer, will, within ten Business Days of becoming aware of any deferral of maturity as set out above, use reasonable endeavours to give notice to the Securityholders of such deferral, briefly describing the facts or events which have given rise to such deferral. The Calculation Agent may give multiple such notices;
- (b) Asset Terms 2.2 (*Reduction in Outstanding Nominal Amount following Event Determination Date*) and 2.3 (*Payment of Credit Event Settlement Amount*) shall continue to apply; and
- (c) subject to Asset Term 2.2 (*Reduction in Outstanding Nominal Amount following Event Determination Date*), the Issuer shall pay to Securityholders on the Extended Maturity Date an additional amount representing interest on the amount paid on such date in redemption of the Securities from and including the Scheduled Maturity Date to but excluding the Extended Maturity Date at the relevant overnight rate for deposits in the Settlement Currency. Save as set out above, no further interest shall be payable on the Securities in respect of any period commencing on or after the Scheduled Maturity Date.

## 2.5 **Nth to Default Credit-Linked Securities**

If the Securities are Nth to Default Credit-linked Securities, Asset Terms 2.2 (*Reduction in Outstanding Nominal Amount following Event Determination Date*) and 2.3 (*Payment of Credit Event Settlement Amount*) shall apply solely to the Nth to Default Reference Entity.

## 2.6 **Principal Protected and Fixed Recovery Credit-Linked Securities**

Notwithstanding the occurrence of one or more Event Determination Dates under the Reference CDS, if the Specific Terms specifies that the Securities are "Principal Protected Credit-Linked Securities" or "Fixed Recovery Credit-Linked Securities", each Security shall be redeemed on the Scheduled Maturity Date by the Issuer at:

- (a) 100 per cent. of its Specified Denomination, if the Securities are "Principal Protected" (as specified in the Specific Terms); or
- (b) the specified portion of its Specified Denomination, if the Securities are "Fixed Recovery" (as specified in the Specific Terms).

## 2.7 **Zero Recovery Credit-Linked Securities**

Notwithstanding Asset Term 2.3 (*Payment of Credit Event Settlement Amount*) no Credit Event Settlement Amount is payable in respect of Zero Recovery Credit-Linked Securities.

## 2.8 **Settlement Deferral**

If "Settlement Deferral" is specified as applicable in the Specific Terms then, notwithstanding the occurrence of an Event Determination Date on or prior to the Deferred Settlement Date, payment of the Credit Event Settlement Amount and any other amount otherwise payable on the Credit Event Settlement Date will be deferred to the Deferred Settlement Date. For clarification, the amounts which are payable under the Securities will continue to be determined by reference to the settlement provisions of the Reference CDS, and at the times and in the manner provided for therein and in these Asset Terms and the Outstanding Nominal Amount of each Security shall continue to be reduced by the applicable Credit Event Writedown Amount with effect from and including the Event Determination Date.

No additional payments (including, without limitation, any interest on the related Credit Event Settlement Amount) shall be made, or compensation otherwise provided, in respect of any Security in respect of which the provisions of this Asset Term 2.8 (*Settlement Deferral*) apply.

## 2.9 **Settlement Suspension**

If the Calculation Agent determines that, under the terms of the Reference CDS, the obligations of the parties would be suspended pending a resolution of a CDDC, then, subject to Asset Term 2.4 (*Redemption at Extended Maturity Date*), all of the obligations of the Issuer under each Security (including any obligation to deliver any notices, pay any interest, principal or settlement amount or to make any delivery) shall, be and remain suspended up to (but excluding) the Business Day following the day ISDA publicly announces that the relevant CDDC has resolved the matter in question or not to determine such matters. No interest shall accrue on any payments which are suspended in accordance with the above. The Calculation Agent shall notify the Securityholders (in accordance with Condition 13) as soon as reasonably practicable upon becoming aware of any such suspension.

## 2.10 **Credit Event Notice after Restructuring Credit Event**

Where the terms of the Reference CDS permit the protection buyer to trigger settlement of the Reference CDS in relation to an amount (the "**Exercise Amount**") that is less than all of the Notional Amount of the Reference CDS, then, the provisions of this Asset Term 2 (*Redemption*) shall, with respect to such Event Determination Date, be deemed to apply to the Exercise Amount only, the Reference Entity Notional Amount in respect of such Reference Entity shall be deemed to be reduced by the applicable Exercise Amount and one or more further Event Determination Dates (and related settlements under the provisions of this Asset Term 2 (*Redemption*)) may occur with respect to the applicable Reference Entity.

In the case of Nth to Default Credit-linked Securities, if an Event Determination Date has occurred in respect of the Nth to Default Reference Entity as a result of a "Restructuring" Credit Event and notwithstanding that the Exercise Amount may be less than the Reference Entity Notional

Amount, no Event Determination Date may occur in respect of any Reference Entity other than the Nth to Default Reference Entity.

**2.11 Accrual of interest**

Notwithstanding the General Conditions, with respect to each Event Determination Date, interest shall cease to accrue on the amount by which the Outstanding Nominal Amount of a Security is reduced pursuant to Asset Term 2.2 (*Reduction in Outstanding Nominal Amount following Event Determination Date*) as a consequence of such Event Determination Date from and including the first day of the Interest Period during which such Event Determination Date occurred (or, if such Event Determination Date occurred before the first Interest Period, from and including the Interest Commencement Date, or where redemption of the Securities has been deferred to the Extended Maturity Date, from and including the Scheduled Maturity Date).

**2.12 Call option**

If "Call Option" is specified to be applicable in the Specific Terms and unless expressly provided otherwise in the Specific Terms, if an Event Determination Date occurs following notification of an Optional Redemption Date but prior to redemption of the Securities pursuant to such notification, then the relevant notice relating the Call Option will be deemed to have nil effect and notwithstanding any provisions relating to the Call Option in the General Note Conditions, the provisions of Asset Term 2 (*Redemption*) shall apply.

**3. SUCCESSORS**

3.1 Where ISDA publicly announces that a relevant CDDC has resolved that any one or more entities has been identified as a successor to a Reference Entity, and such resolution would be applicable to the Reference CDS or the Calculation Agent under the Reference CDS identifies one or more Successor(s) to the original Reference Entity, such successor entity or entities shall thereupon be the successor(s) to the relevant Reference Entity for the purposes of the Securities. Where there is more than one such successor to any Reference Entity, and, accordingly, the Reference CDS would be divided into a corresponding number of "New Credit Derivative Transactions", each referencing one of such successors, the Securities (other than Securities in respect of which the Reference CDS references an index) shall be deemed to be split into a number of classes equal to the number of such successors and each such New Credit Derivative Transaction shall become the Reference CDS with respect to one such class.

3.2 Where multiple classes of the Securities exist as a result of this Asset Term 3, then the provisions of Asset Term 2 (*Redemption*) shall apply only in respect of the relevant class(es) of Securities for which the Applicable Entity is a Reference Entity and, accordingly, all references to "the Securities" in Asset Term 2.8 (*Settlement Deferral*) shall be read and construed as references to "the relevant class(es) of Securities for which the Applicable Entity is a Reference Entity".

3.3 If two or more Reference Entities are subject to one or more events which would lead to the determination of a Successor Reference Entity simultaneously or the order of such events cannot be determined, then each such Reference Entity shall be deemed to have been subject to a separate event, with all such events occurring in the order determined by the Calculation Agent by reference to the ordering applied for the purposes of settlement of credit derivatives transactions to which the Issuer and its affiliates are party generally.

**4. ADJUSTMENTS TO EVENT DETERMINATION DATE AND RELATED PAYMENTS**

If, following the determination by a CDDC that an Event Determination Date has occurred, ISDA publicly announces that the relevant CDDC has resolved that such Event Determination Date occurred on a date that is different from the date first determined or that no Event Determination Date occurred, or such Event Determination Date is determined to have occurred prior to the immediately preceding Interest Payment Date (and such determination would be effective pursuant to the terms of the Reference CDS), the Calculation Agent will determine, acting in a commercially reasonable manner, any additional amount payable to the Securityholder(s) to reflect any scheduled payment that would have been due on the basis of such announcement but was not paid in respect of the Securities or any reduction in any subsequent amount that would otherwise subsequently be payable to the Securityholders to reflect any payment that was paid but would not have been due on the basis of such announcement in respect of the Securities. No accruals of interest shall be taken into account when calculating any such adjustment payment.

In the case of Securities represented by a Global Security or a Global Certificate, if an amount would be payable to a Securityholder as set out above, but such amount is not determined until after the date on which the Securities are redeemed in full, the Issuer shall make such payment to the persons who are shown in the records of the Clearing Systems as being the Accountholder at, failing which immediately prior to, the time of redemption, subject to receipt from such persons of such evidence and indemnities as the Issuer may require.

5. **CALCULATION AGENT AND CDDC**

5.1 **The Calculation Agent**

Subject to the express provisions of the Asset Terms, if any provision of this document permits a determination or calculation to be made by the Calculation Agent, acting in any capacity, during a particular period of time, it may make it at any time during that period and no failure or delay to make it at a particular time within such period shall be deemed to be a waiver of its ability to make it later in that period or in any subsequent period during which it may make it.

5.2 **Resolutions of CDDCs**

Resolutions of the Credit Derivatives Determinations Committees ("**CDDCs**" and each a "**CDDC**") established by ISDA will be binding on the Issuer and the Securityholders if and to the extent that such resolutions would be binding on the parties to the Reference CDS. Neither the Issuer nor the Calculation Agent will have any liability to the Securityholders or any other person as a result of relying on any resolution of a CDDC.

6. **DEFINITIONS**

In these Asset Terms:

"**2014 Definitions**" has the meaning given in Asset Term 1.2 (*Terms of the Reference CDS*);

"**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity under direct or indirect common control with the person. As used herein "control" means the ownership of a majority of the voting power of the entity or, as the case may be, the person and "controlled by" and "controls" shall be construed accordingly;

"**Aggregate Nominal Amount**" means, at any time, an amount equal to the aggregate of the Outstanding Nominal Amounts of all Securities at that time;

"**Auction**" means a credit derivatives auction organised by the relevant CDDC and auction administrators relating to the Reference Entity and Credit Event in question or, if multiple auctions are conducted in relation to such Reference Entity and Credit Event, the auction which would be relevant for purposes of settlement of the Reference CDS, taking into account the terms thereof and any exercise of rights thereunder;

"**Auction Final Price**" means the price, expressed as a percentage, determined pursuant to the Auction and published by ISDA;

"**Basket Credit-linked Security**" means a Security specified as such in the Specific Terms;

"**Break Funding Amount**" shall mean an amount determined by the Calculation Agent, acting in good faith and a commercially reasonable manner, that represents the cost or benefit to the Issuer of replacing the expected term funding lost as a result of the occurrence of a Credit Event. Such amount shall be calculated taking into account the prevailing credit spreads applicable to unsecured debt of the Issuer and will be (i) a positive amount if there is a cost to the Issuer; or (ii) a negative amount if there is a benefit to the Issuer;

"**CDDC**" has the meaning given in Asset Term 5.2 (*Resolutions of CDDCs*);

"**Credit Event**" means any of the events specified as such in the Specific Terms (including by cross-reference to a matrix published by ISDA);

"**Credit Event Loss Amount**" means, in relation to an Event Determination Date, an amount, subject to a minimum of zero, equal to the product of:

- (a) 100 per cent. minus the Auction Final Price or, if applicable, Final Price;

- (b) the Leverage Factor; and
- (c) the Reference Entity Notional Amount (or, as applicable, the Exercise Amount);

**"Credit Event Settlement Amount"** means, in respect of a Security and with respect to an Event Determination Date such Security's pro rata proportion of, an amount equal to:

- (a) the Reference Entity Notional Amount (or, as applicable, the Exercise Amount); minus
- (b) the Credit Event Loss Amount;

provided that, if "Break Funding Amount" is specified as applicable in the Specific Terms, then Credit Event Settlement Amount shall mean, in respect of a Security and with respect to an Event Determination Date, such Security's pro rata proportion of an amount equal to:

- (a) the Reference Entity Notional Amount (or, as applicable the Exercise Amount); minus
- (b) the Credit Event Loss Amount; minus
- (c) the Break Funding Amount,

subject to a minimum of zero;

**"Credit Event Settlement Date"** means, in respect of a Security and with respect to an Event Determination Date, the later of the date falling (a) five Business Days following the Issue Date and (b) 10 Business Days after the date on which the Auction Final Price is determined (or where the Credit Event Settlement Amount is determined by reference to a Final Price, the date on which the Final Price is determined);

**"Credit Event Writedown Amount"** means, in respect of a Security and with respect to an Event Determination Date, an amount equal to the lesser of:

- (a) the Outstanding Nominal Amount of such Security; and
- (b) the Reference Entity Notional Amount of the relevant Reference Entity which is the subject of such Event Determination Date (or, if applicable, the relevant Exercise Amount) multiplied by the Relevant Proportion as of the Event Determination Date,

in each case determined immediately prior to such Event Determination Date;

**"Deferred Settlement Date"** means the date specified as such in the Specific Terms or, if no such date is specified, the latest of: (a) the Scheduled Maturity Date; (b) the Extended Maturity Date; and (c) the Credit Event Settlement Date;

**"Event Determination Date"** means either:

- (a) following a public announcement by ISDA to the effect that a CDDC has resolved that a Credit Event has occurred in relation to a Reference Entity, and, if so required for the purposes of the Reference CDS, following the delivery by the Calculation Agent of a notice to Securityholders which would constitute a "Credit Event Notice" (as defined in the 2014 Definitions) for the purposes of the Reference CDS, the date which would be determined as such for the purposes of the Reference CDS in accordance with its terms; or
- (b) in the absence of any announcement as referred to above, the Calculation Agent delivers a notice to Securityholders which would constitute a "Credit Event Notice" and "Notice of Publicly Available Information" (each as defined in the 2014 Definitions), the date which would be determined as such for the purposes of the Reference CDS in accordance with its terms ;

**"Extended Maturity Date"** has the meaning given to it in Asset Term 2.4 (*Redemption at Extended Maturity Date*);

**"Final Price"** means, where the Calculation Agent determines that no Auction Final Price has been or will be determined in relation to an Event Determination Date, the price, expressed as a percentage, determined by the Calculation Agent as follows:

- (a) on any Business Day (the "**Relevant Date**") (as selected by the Calculation Agent) falling within thirty Business Days following the date that the Calculation Agent makes the

determination that no Auction Final Price has been or will be determined in relation to an Event Determination Date (the "**Valuation Date**"), and, if necessary, on one or more of the succeeding thirty Business Days following the Relevant Date, at or about a time selected by the Calculation Agent as being the time at which the relevant market is likely to be most liquid (the selected time, the "**Valuation Time**"), the Calculation Agent shall attempt to obtain quotations from five or more third party dealers in the relevant market in respect of any combination of the obligations of the Reference Entity, which may be the Reference Obligation, direct loans, bonds or other obligations issued directly by the Reference Entity or obligations in respect of which the Reference Entity acts as guarantor or, where permitted under the terms of the Reference CDS, one or more specified obligations, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset (or any value which was realized or capable of being realized in circumstances where the right and/or other asset no longer exists) (which may be or may be deemed to be zero) (each an "**Asset**") selected by the Issuer, which the Calculation Agent determines would be eligible for delivery in settlement of the Reference CDS (each selected obligation and/or Asset, a "**Valuation Obligation**").

- (b) the Calculation Agent shall seek bid quotations for Valuation Obligations in the amount which would be permitted to be delivered under the Reference CDS (or, as applicable, the portion of such amount in respect of which settlement is triggered).
- (c) if at least two firm bid quotations for the entire selected amount of a Valuation Obligation are available on the same Business Day, the Final Price of that Valuation Obligation will be determined by using the highest such quotation received. If the Calculation Agent is unable to obtain two or more such quotations in relation to a Valuation Obligation on the same Business Day within five Business Days of the Valuation Date, then the Final Price for such Valuation Obligation will be an amount determined by the Calculation Agent in its commercially reasonable discretion as the prevailing market value of the Valuation Obligation in question.
- (d) quotations will be expressed as a percentage of the selected amount of each Valuation Obligation for purposes of determining the Final Price (including where quotes actually received are expressed as a percentage of amounts payable at maturity of the relevant Valuation Obligation, if different).
- (e) if there is more than one selected Valuation Obligation, then the Final Price will be the average of the Final Prices determined in relation to each such Valuation Obligation, each such price being weighted by reference to the amount of each such Valuation Obligation (or, as the case may be, the amount of the obligation (to which such Asset corresponds) immediately prior to the relevant Asset Package Credit Event (as defined under the terms of the Reference CDS) valued for such purpose.
- (f) notwithstanding the above, where under the terms of the Reference CDS the valuation of any Asset permitted in settlement of such Reference CDS would be deemed to be zero or required to be determined by reference to an applicable specified valuation or CDDC methodology, the Final Price will be the value established accordingly. "Leverage Factor" has the meaning given in the Specific Terms, or if no such meaning is given, one;

"**Leverage Factor**" has the meaning given in the Specific Terms, or if no such meaning is given, one;

"**M(M)R Restructuring**" means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is applicable in respect of the relevant Reference Entity;

"**Nth to Default Credit-linked Security**" means a Security specified as such in the Specific Terms;

"**Nth to Default Reference Entity**" has the meaning given in the Nth to Default Standard Terms Supplement;

"**Nth to Default Standard Terms Supplement**" has the meaning given in Asset Term 1.2 (*Terms of the Reference CDS*);

"**Outstanding Nominal Amount**" means, in respect of a Security, an amount equal to its Specified Denomination as reduced from time to time in accordance with Asset Term 2.2 (*Reduction in Outstanding Nominal Amount following Event Determination Date*);

**"Reference Entity Notional Amount"** means, in respect of any Reference Entity, the notional amount for the time being of credit protection which is purchased under the terms of the Reference CDS in relation to a Reference Entity, being, as of the Issue Date (and unless otherwise specified in the Specific Terms):

- (a) if the Securities are Single Name Credit-linked Securities, the Aggregate Nominal Amount;
- (b) if the Securities are Nth-to-Default Credit-linked Securities, the Aggregate Nominal Amount;
- (c) if the Securities are Basket Credit-linked Securities, the product of (i) the Aggregate Nominal Amount and (ii) the quotient of (A) the related Reference Entity Weighting (or, if no Reference Entity Weighting is specified in the Specific Terms, the Aggregate Nominal Amount divided by the number of Reference Entities) and (B) the sum of the Reference Entity Weightings of each Reference Entity as of the Trade Date without regard to any Credit Event that may have occurred after the relevant Credit Event Backstop Date; and
- (d) otherwise, the amount specified as such in relation to a Reference Entity in the Specific Terms,

subject in each case to the provisions of the Reference CDS and Asset Term 3 (*Successors*) relating to the determination of successor Reference Entities and provided that, where the Securities are subject to redemption or purchase and cancellation in part, or where further securities are issued which are fungible with the Securities, the Reference Entity Notional Amount shall be reduced or, as applicable, increased, proportionately;

**"Reference Entity Weighting"** means, in respect of a Reference Entity, the percentage specified as such in relation to that Reference Entity as set out in the Table of Reference Entities in the Specific Terms;

**"Relevant Proportion"** means, in respect of any day, an amount, expressed as a fraction, equal to the Outstanding Nominal Amount of the Security as of such day, divided by the aggregate of the Outstanding Nominal Amounts of all Securities then outstanding;

**"Single Name Credit-linked Security"** means a Security specified as such in the Specific Terms; and

**"Zero Recovery Credit-linked Security"** means a Security in respect of which "Zero Recovery Credit Linked Securities" is specified as applicable in the Specific Terms.

## DESCRIPTION OF THE ASSET TERMS AND THE REFERENCE CDS

The description of the Asset Terms and the Reference CDS set out below should be read as a summary of certain provisions thereof and does not contain all information that may be important to prospective investors.

### PART 1: THE SECURITIES

#### Terms of the Securities

The terms of the Securities comprise the General Note Conditions (as set out in the Prospectus), as modified by provisions specific to the Securities (referred to as the "**Asset Terms**" and set out in this Prospectus). The Specific Terms applicable to a particular issue of Securities will set out the elections which apply for the purposes of that issuance, and may specify further modifications to the terms of the Securities. Prospective investors in the Securities should ensure that they have read and understood each of the General Note Conditions, the Asset Terms and the Specific Terms, and have received any advice that they deem necessary in order to fully understand the terms of the Securities.

This Part 1 of this section summarises certain aspects of the Asset Terms.

#### Credit-linked Securities Generally

Credit-linked Securities are linked to the creditworthiness of one or more "**Reference Entities**". In purchasing the Securities investors assume exposure to the creditworthiness of such Reference Entities. The Securities may be linked to a single Reference Entity ("**Single Name Credit-linked Securities**") or to the credit risk of multiple Reference Entities. Where the Securities are linked to multiple Reference Entities (including, for example, an index of Reference Entities compiled by a third party index sponsor), the Securities may be "**Basket Credit-linked Securities**" which are subject to redemption or exercise (as applicable) in part on the occurrence of an Event Determination Date (see below) in relation to a Reference Entity in proportion to a Reference Entity. Alternatively, the Securities may be "**Nth to Default Credit-linked Securities**", in which case the Securities will be subject to redemption in whole on the occurrence of the "Nth" Event Determination Date.

The payment of interest and principal on the Securities is dependent on whether certain specified events ("**Credit Events**") occur in respect of the relevant Reference Entity/Entities to which the Securities are linked under a hypothetical credit default swap transaction (the "**Reference CDS**") and whether, as a result, an "**Event Determination Date**" would occur in relation to such Reference Entity/Entities under the terms of the Securities. Events, discretions, determinations and payments which occur under the terms of the Reference CDS may affect the amounts payable under the Securities, as well as the timing of such payments, and may result in losses (or lower returns) for Securityholders. The Reference CDS is treated as existing solely for the purposes of making determinations under the Securities and determining payments on the Securities.

Under the Securities, economically the Issuer will be the buyer of credit protection and the Securityholders will be the sellers of credit protection in respect of a specified notional amount for the relevant Reference Entity or Reference Entities (such amount the "**Reference Entity Notional Amount**"). The Reference Entity Notional Amount other than in respect of principal protected securities, fixed recover securities or securities which have been purchased at a premium or discount, represents the maximum possible loss that an investor in the Securities can incur as a result of a Credit Event affecting a particular Reference Entity.

If no Event Determination Date occurs (and the Securities are not otherwise redeemed, purchased or cancelled by the Issuer) the Securities are scheduled to redeem on the scheduled maturity date as set out in the Specific Terms (the "**Scheduled Maturity Date**").

If an Event Determination Date occurs in respect of the Reference Entity under Single Name Credit-linked Securities or in respect of the Nth Reference Entity under Nth-to-Default Credit-linked Securities, the outstanding nominal amount of each Security will, unless otherwise specified in the Specific Terms, be reduced to zero or, in certain circumstances following a Restructuring Credit Event, by a specified portion of the Reference Entity Notional Amount relating to that Reference Entity (the amount of such reduction being referred to as the "**Credit Event Writedown Amount**"), Interest will cease to accrue on the amount of such reduction.

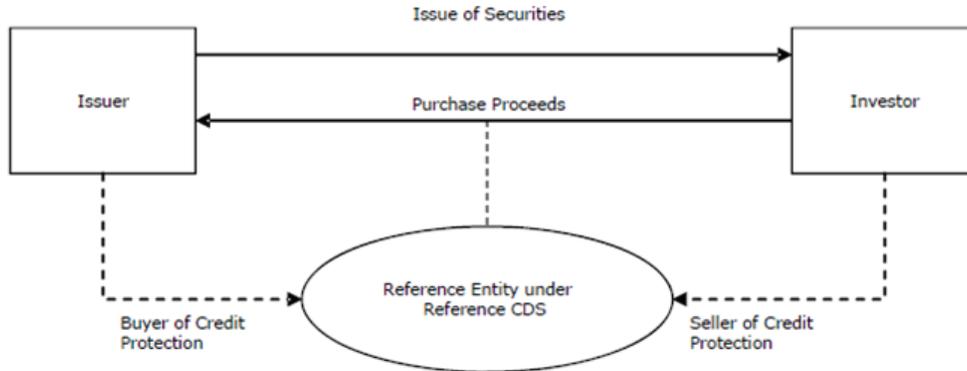
If an Event Determination Date occurs in respect of a Reference Entity under Basket Credit-linked Securities, the Credit Event Writedown Amount will be the pro rata proportion of the Reference Entity Notional Amount relating to that Reference Entity or, in certain circumstances following a Restructuring

Credit Event, by its pro rata proportion of a specified portion of the Reference Entity Notional Amount relating to that Reference Entity. Interest will cease to accrue on the Credit Event Writedown Amount.

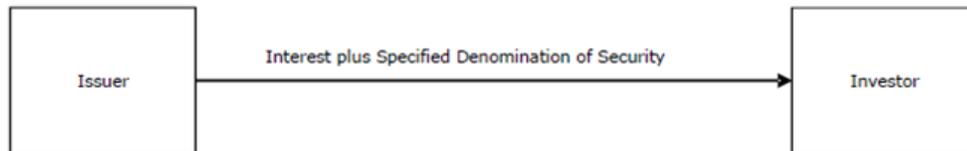
Accordingly, Credit-linked Notes may be redeemed early in full or in part as a result of an Event Determination Date and in such circumstances each Securityholder will receive an amount in cash (referred to as the "**Credit Event Settlement Amount**", see further below) which is likely to be substantially lower than the par amount they would otherwise receive if the Credit-linked Securities were redeemed in full on the Scheduled Maturity Date of the Securities (and could be zero).

An outline diagram of the structure of a Single Name Credit-linked Security is set out below:

**Initial Issuance of the Securities**



**Cash flows *uno* Event Determination Date occurs**



**Cash flows if an Event Determination Date occurs**



\*No further interest will accrue and no further payments of principal will be made.

Prospective Securityholders should ensure that they are fully aware of and understand the terms and operation of credit default swap transactions generally and of the Reference CDS in particular. See further "Part 2: Credit Default Swaps and the Reference CDS" and "Part 3: Terms of the Reference CDS" below for a description of the Reference CDS.

**Credit Event and Event Determination Date**

A Credit Event is, broadly speaking, an event which is regarded as being indicative of a default or material decline in the creditworthiness of the Reference Entity, and may include, for example, default by the Reference Entity in making payments due on its debts, insolvency or similar proceedings in relation to the Reference Entity, the restructuring of the Reference Entity's debts or other events. The applicable Credit Events will vary depending on the terms applicable to each Reference Entity, and may be determined by

reference to market standards (including the Transaction Type and related terms in the Physical Settlement Matrix) or as specified in the Specific Terms applicable to the particular series of Securities. See "Part 3: Terms of the Reference CDS" of this section for further details as to those events and circumstances which may constitute Credit Events in respect of the Reference CDS.

Prospective investors in Credit-linked Securities should note that not all of the possible Credit Events require an actual default with respect to the obligations of a relevant Reference Entity. Securityholders could bear losses based on deterioration in the credit of any relevant Reference Entity short of a default, subject to the provisions set out in the applicable terms and conditions of the Securities.

An Event Determination Date will occur as a result either (i) an announcement by the DC Secretary that the CDDC has resolved that a Credit Event has occurred (and, to the extent applicable in respect of a Restructuring, delivery of a notice to Securityholders by the Calculation Agent); or (ii) the Calculation Agent delivering a notice to Securityholders that a Credit Event has occurred.

An Event Determination Date may occur as a result of the publication by the DC Secretary of a resolution by a CDDC that a Credit Event has occurred in relation to that Reference Entity. An Event Determination Date may also occur if, notwithstanding a request being made to a CDDC to determine whether a Credit Event has occurred, the CDDC resolves not to make the determination or does not make a determination. An Event Determination Date may also occur in relation to Credit-linked Securities if the Calculation Agent delivers a notice and supporting information on behalf of the Issuer equivalent to the notice and supporting information which a buyer of credit protection under the Reference CDS would be required to deliver in order to trigger settlement (or partial settlement) of that transaction following a Credit Event. However, a resolution of a CDDC will be binding for the purposes of the Securities so long as that resolution would be effective for the purposes of the Reference CDS and in such case will prevail over a notice of a Credit Event given by the Calculation Agent on behalf of the buyer or seller unless the Securities have been redeemed in full, in which case resolutions of a CDDC will no longer be binding for the purposes of the Securities.

Prospective Securityholders should be aware of the powers of CDDCs to make binding determinations in relation to credit default swaps generally, and that such determinations will additionally be binding on them as Securityholders if applicable for the purposes of the Reference CDS. See "Part 2: Credit Default Swaps" below for further information on CDDCs generally.

#### **Redemption following an Event Determination Date**

As at the issue date of the Securities, each Security will have a nominal amount equal to its "Specified Denomination", as set out in the Specific Terms. If no Event Determination Date occurs in relation to the Securities and the Securities are not otherwise redeemed, purchased or cancelled by the Issuer, (or the Calculation Agent on its behalf) each Security will be redeemed on the Scheduled Maturity Date (or, in certain cases, the Extended Maturity Date, see further "Redemption in the absence of an Event Determination Date" below) at an amount equal to its Specified Denomination. If an Event Determination Date occurs in relation to a Reference Entity, the "Specified Denomination" of each Security will be reduced (the nominal amount of each Security, as so reduced from time to time its "**Outstanding Nominal Amount**").

Where the Securities are Nth-to-Default Credit-linked Securities, the Outstanding Nominal Amount of each Security will be reduced by the Credit Event Writedown Amount as set out above upon the occurrence of an Event Determination Date in relation to the "Nth" specified Reference Entity (for example, where "N" is specified in the Specific Terms as two, on the occurrence of the second Event Determination Date).

Where the Credit Event Writedown Amount is equal to the entire Outstanding Nominal Amount of each Security, and the Outstanding Nominal Amount of each Security is therefore reduced to zero, then, once the Issuer has performed all of its obligations resulting from the relevant Event Determination Date and any prior such dates (including payment of the related Credit Event Settlement Amounts, if any), the Issuer will be discharged from its obligations and liabilities to the Securityholders in relation to such Securities, and the relevant Securities will be cancelled. The Securityholders will receive no further payments in relation to such Securities.

#### **The Credit Event Settlement Amount**

If the Calculation Agent determines that auction settlement would form the basis for settlement of the Reference CDS, the Credit Event Settlement Amount payable following the occurrence an Event Determination Date will be calculated by reference to a price determined by way of a credit derivatives auction organised by the relevant CDDC and auction administrators (referred to in the Asset Terms and below as an "**Auction**").

There may be multiple Auctions held concurrently, either as required for the purposes of settling credit default swaps of varying maturities following a "Restructuring" Credit Event or where separate Auctions are conducted in relation to senior and subordinated obligations of the relevant Reference Entity; in such cases, the Calculation Agent will select the Auction which will be relevant for the purposes of the Securities as that which would be relevant for the purposes of the Reference CDS. If the buyer of credit protection under the Reference CDS would be entitled to select from multiple Auctions, then the Issuer or the Calculation Agent will have a corresponding entitlement under the terms of the Securities. See "Part 3: Terms of the Reference CDS" of this section below for a description of Auctions generally.

Where auction settlement applies to the Reference CDS, the Credit Event Settlement Amount payable in respect of a Security in relation to an Event Determination Date will be equal to each Security's pro rata proportion of an amount equal to (i) the Reference Entity Notional Amount (or, as applicable, the Exercise Amount) of the relevant Reference Entity, less (ii) the product of (x) 100 per cent. minus the price (expressed as a percentage) determined through the Auction, (y) if applicable, the Leverage Factor and (z) the Reference Entity Notional Amount (or, as applicable, the Exercise Amount) of the relevant Reference Entity, and if "Break Funding Amount" is specified as applicable in the Specific Terms, less (iii) the Break Funding Amount. The Credit Event Settlement Amount is likely to be lower than the par value of such obligations and will be reflective of a loss experienced by the holder of such eligible obligations, as against the par value thereof. Moreover, the Auction Final Price is likely to reflect, at least in part, the lowest prevailing market value of any eligible obligation.

"Break Funding Amount" is an amount, as determined by the Calculation Agent, that represents the cost or benefit to the Issuer of replacing the expected term funding lost as a result of the occurrence of a Credit Event. Such amount will be calculated by taking into account the prevailing credit spreads applicable to unsecured debt of the Issuer and will have (i) a negative impact on the Credit Event Settlement Amount if there is a cost to the Issuer; or (ii) a positive impact on the Credit Event Settlement Amount if there is a benefit to the Issuer.

Where cash settlement applies to the Reference CDS in relation to a particular Event Determination Date (because it is the fallback settlement method), then the Credit Event Settlement Amount will be determined on the basis of the bid quotations sought by the Calculation Agent from third party dealers for certain obligations (direct or indirect) of the relevant Reference Entity (or, in certain circumstances, a related asset package) which would be eligible for delivery in settlement of the Reference CDS. The Issuer (or the Calculation Agent on its behalf) will be entitled to select eligible obligation(s) for valuation - obligation(s) which, when valued, may result in the greatest loss for Securityholders.

No Credit Event Settlement Amount will be payable in relation to Zero Recovery Credit Linked Securities.

#### **Payment of the Credit Event Settlement Amount**

If determined on the basis of an Auction, the Credit Event Settlement Amount will be payable (subject to Settlement Deferral if specified as applicable in the Specific Terms) on the later of (i) the fifth Business Day following the Issue Date or (ii) tenth Business Day following the date on which the relevant price is determined through the Auction.

Where there is no relevant Auction, and the Reference CDS would, in accordance with its terms, be subject to settlement by physical delivery of obligations of the Reference Entity, the Credit Event Settlement Amount will be payable on the later of (i) the fifth Business Day following the Issue Date or (ii) the tenth Business Day following the date on which the relevant price is determined on the basis of bid quotations sought by the Calculation Agent from third party dealers for certain obligations of the relevant Reference Entity.

Regardless of whether there is a relevant Auction, the Credit Event Settlement Amount may be payable prior to or after the Scheduled Maturity Date of the Securities, whether because the relevant Event Determination Date occurs shortly prior to or following the Scheduled Maturity Date of the Securities, because of (where there is a relevant Auction) a delay in holding an Auction or, if applicable, where circumstances apply which would result in delayed physical settlement of the Reference CDS. The timing of when an Auction occurs is likely to vary and therefore the date for the payment of the Credit Event Settlement Amount may also vary. See "Part 3: Terms of the Reference CDS" of this section below for a description of Auction timings.

If the outstanding nominal amount of a Security is reduced to zero following the occurrence of an Event Determination Date, upon the performance by the Issuer of its obligations under the Asset Terms to pay the Credit Event Settlement Amount to each Securityholder, the Issuer will be discharged from its obligations and liabilities to Securityholders in respect of such Security, and such Security will be cancelled. The Securityholders will receive no further payments on account of interest and/or principal in relation to such Securities.

### **Deferral of payment following Event Determination Date**

Where an Event Determination Date has occurred, payment of the Credit Event Settlement Amount due on the Securities may be deferred to the maturity of the Securities if "Settlement Deferral" is specified as applicable in the Specific Terms. In such case, holders of the Securities will not be compensated for such deferral and interest will not accrue on the Credit Event Settlement Amount.

### **Redemption in the absence of an Event Determination Date**

If no Event Determination Date occurs then the Securities are scheduled to redeem on the Scheduled Maturity Date as specified in the Specific Terms. However, redemption of the Securities may be substantially delayed even where no Event Determination Date is ultimately deemed to have occurred if, for example, a resolution of a CDDC as to the occurrence of a Credit Event is pending at the Scheduled Maturity Date or if the Reference CDS is extended beyond such date pending resolution of a potential Credit Event which occurred prior to its scheduled termination (see further "Failure to Pay" and "Repudiation/Moratorium" in "Part 3: Terms of the Reference CDS"). In such case, the Issuer may stipulate that the redemption of the Securities be deferred to a date falling not later than the fifth Business Day after the date on which it is no longer possible that an Event Determination Date could occur (the "**Extended Maturity Date**"). Such extension will affect an Outstanding Nominal Amount of the Securities equal to the maximum possible Credit Event Writedown Amount which could be determined as a result. It is possible that, as a result of an earlier Event Determination Date, a Credit Event Settlement Amount may remain to be paid in relation to the Securities; any relevant Credit Event Writedown Amounts will be deducted from the amount paid as set out above. (See further "Credit Events and related terms" in Part 3 of this section below).

Subject to the above, if no Event Determination Date has occurred on or prior to the Scheduled Maturity Date and provided that the Securities are not otherwise redeemed, purchased or cancelled by the Issuer, the earliest date on which the Securities may be redeemed is the Scheduled Maturity Date.

### **Redemption at Extended Maturity Date**

If, by the Extended Maturity Date, the Securities have not been redeemed in full, either by payment of par in the absence of an Event Determination Date or by payment of one or more Credit Event Settlement Amounts, then the Securities will be redeemed at their then-current Outstanding Nominal Amount.

### **Interest is payable on a reduced amount following an Event Determination Date**

Following the occurrence of an Event Determination Date (or, in the case of Nth to Default Credit-linked Securities, the "Nth" such date), the amount on which interest is calculated for the purposes of the Securities will be reduced by the related Credit Event Writedown Amount. If the Credit Event Writedown Amount is equal to the full principal amount of the Securities no further interest will be payable on the Securities. Any such reduction may be back-dated and will take effect from and including the first day of the interest accrual period during which the Event Determination Date occurred or the Interest Commencement Date if the Event Determination Date occurs prior to the Issue Date.

Accordingly, the occurrence of an Event Determination Date is likely to result in a loss of interest for Securityholders and a decrease in the overall return of an investment in the Securities.

### **Interest may accrue after the Scheduled Maturity Date at a reduced rate**

Notwithstanding the interest provisions of the General Note Conditions, as supplemented by and subject to and unless otherwise provided in the Specific Terms, interest will accrue after the Scheduled Maturity Date in relation to any nominal amount of Securities, redemption of which is deferred as set out above, at the rate for overnight deposits in the currency of the Securities, without margin or spread. Such rate is likely to be lower than the rate which applied to the Securities prior to the Scheduled Maturity Date.

## PART 2: CREDIT DEFAULT SWAPS

### Credit derivatives and credit default swaps

A credit derivative transaction is a transaction which is entered into between two parties generally 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 Securities represent a funded credit derivative transaction in the form of a security. Under the terms of the Securities, economically, the Issuer will be the buyer of credit protection and the Securityholder will be the seller 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 specific Reference Entity or specific Reference Entities specified in the terms of such transaction and certain conditions to settlement being satisfied. Credit default swaps are contracts rather than securities and are traded between two parties "over-the-counter". A protection buyer will make one or more fixed rate payments to the protection seller. In exchange, the protection seller agrees to make payment to the protection buyer following the occurrence of the relevant event in relation to the Reference Entity, subject to satisfaction of certain conditions. Alternatively, if physical settlement applies, the protection seller in such case will be required to purchase at par bonds or loans of the Reference Entity from the protection buyer (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 a single Reference Entity or a basket of Reference Entities.

Credit default swap indices are standard baskets of Reference Entities compiled by third party index sponsors such as Markit Group Limited.

### 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 2014 ISDA Credit Derivatives Definitions, referred to below as the "**2014 Definitions**". The full text of the 2014 Definitions, together with applicable additional provisions and supplements is available on ISDA's website [www.isda.org](http://www.isda.org) (or any successor website) on a subscription basis.

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 "**Physical Settlement Matrix**"). The Physical 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.). As at the date of this Prospectus, the Settlement Matrix is available free of charge on ISDA's website at [www.isda.org](http://www.isda.org) (or any successor website) and is referred to on such website and in the 2014 Definitions as the Credit Derivatives Physical Settlement Matrix.

Credit default swaps linked to baskets of entities may be traded on the basis of market-standard master confirmation agreements or standard terms supplements. For example, first to default or nth to default credit default swaps, where settlement is triggered upon the occurrence of an Event Determination Date in respect of any of the reference entities in the basket, or, as applicable, on the occurrence of the nth Event Determination Date will be traded on the basis of the Nth-to-Default Standard Terms Supplement (September 2011 version) (the "**Nth-to-default Standard Terms Supplement**"). As at the date of this Prospectus, the Nth-to-Default Standard Terms Supplement is available free of charge on ISDA's website at [www.isda.org](http://www.isda.org) (or any successor website).

### The Reference CDS is a hypothetical credit default swap

The Reference CDS is a hypothetical transaction which may or may not correspond to an actual transaction entered into by the Issuer or any entity connected with the Issuer. It is treated as existing solely for the purposes of making determinations under the Securities and determining payments on such Securities. Accordingly, such Securities do not give rise to any ownership or other interest in any actual credit default swap transaction and Securityholders will not be treated as having any rights to give any notice or require performance of any obligation under the Reference CDS.

The Reference CDS is treated as existing between the Issuer and a notional seller or notional buyer (as applicable). Accordingly, there is no counterparty risk associated with the Reference CDS.

If the Specific Terms specifies a "Transaction Type" with respect to the relevant Reference Entity certain terms of the Reference CDS will be determined by reference to the Physical Settlement Matrix (except to the extent varied in the Specific Terms). Where terms of the Reference CDS are determined by reference to the Physical Settlement Matrix, such terms may vary between particular series of Securities depending on the relevant "Transaction Type" which applies. Furthermore the Physical Settlement Matrix is updated regularly by ISDA and accordingly, depending on their respective issuance timing, different series of Securities may refer to different versions of the Physical Settlement Matrix. The Specific Terms may specify additional terms which apply for the purposes of the Reference CDS or with respect to any particular Reference Entity. Such terms may be reflective of market standard terms which are applied to such Reference Entity for the purposes of credit default swap transactions generally, or they may be specific to the particular Credit-linked Securities in question.

If the Physical Settlement Matrix does not apply to the Reference CDS, the Specific Terms will set out all of the relevant terms of the Reference CDS. In such cases the Reference CDS may not be on market standard terms as published by ISDA.

### **Credit derivative determinations committees ("CDDCs") have the power to make binding determinations**

The CDDCs were established in 2009 to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. Prospective Securityholders should note that a CDDC may have the power to make binding decisions for the purposes of the Reference CDS on critical issues such as whether a Credit Event has occurred and whether one or more Auctions should take place. Consequently, Securityholders will be bound by any such relevant decisions and the payments on the Securities and the timing of any such payments 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 a particular series of Securities will be 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 the DC Secretary on behalf of ISDA (the "**Rules**"). A copy of the Rules as most recently amended on 2 October 2020 (as updated from time to time) is available free of charge at [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org). A CDDC will be convened upon referral of a question to the DC Secretary by an eligible market participant, subject to the agreement of a specified number of the voting members of the relevant CDDC. The DC Secretary will convene the CDDC for the region to which the referred question relates, as determined in accordance with the Rules. Securityholders will not have any rights to submit questions for resolution by a CDDC, and neither the Issuer nor any entity connected with it will have an obligation to submit a question on behalf of any Securityholders.

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 preliminary decision of the CDDC. 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 pursuant to the Rules.

A CDDC may decline to resolve a particular question. Questions referred to the CDDC and the results of binding votes will be published on the DC Website. Neither the Issuer nor any entity affiliated with it will be obliged to inform the Securityholders that a CDDC has been or is likely to be convened.

### **CDDC membership**

Each CDDC is composed of up to fifteen voting members and three non-voting consultative members. Up to ten of the voting members are dealer institutions, with eight serving across all regions and two potentially varying by region. Securityholders should review the CDDC website and the Rules for up-to-date information regarding the composition of the CDDCs.

As at the date of this Prospectus, Credit Suisse International, which is one of the Issuer's affiliates, is a member of each of the CDDCs. In reaching decisions, neither the Issuer nor any other member of CDDC will take account of the interests of the Securityholders and for such purpose the Issuer may ignore any conflict of interest arising from the Issuer's rights and obligations under, or in respect of, the Securities. Securityholders will not have any recourse against ISDA, the DC Secretary or the members of any CDDC in relation to resolutions passed or not passed by any such CDDC.

#### **Changes to the terms of the Reference CDS**

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.

The Reference CDS will be subject to modification in accordance with any protocol published by ISDA which amends the terms of credit default swap transactions of the same type (including as to the applicable Reference Entity) as the Reference CDS generally, provided that the Issuer and any relevant affiliates have adhered to such protocol in respect of credit derivatives transactions to which they are a party generally. In such case the Issuer shall, without the requirement for the consent of the Securityholders, amend the terms of the Securities as it considers necessary, acting reasonably, to take account of such modification to the Reference CDS. The Issuer will notify the Securityholders of any such modifications as soon as reasonably practicable upon such modifications becoming effective.

#### **Issuer Rights and Options under the Reference CDS**

Securityholders should note that the Issuer (or the Calculation Agent on its behalf) may be entitled to exercise certain rights and options that would be exercisable by the protection buyer under the Reference CDS which may affect returns on the Securities including:

- (i) in the absence of a resolution by the CDDC as to whether a Credit Event has occurred in relation to the relevant Reference Entity, electing whether to deliver a notice and supporting information on behalf of the Issuer in order to trigger settlement (or partial settlement) of the Reference CDS following the occurrence of a Credit Event (see further "Credit Event and Event Determination Date" in Part 1 of this section above);
- (ii) in certain cases where the CDDC has determined that a Restructuring Credit Event has occurred, electing whether or not to treat settlement (or partial settlement) of the Reference CDS as having been triggered and whether an Event Determination Date has occurred for the purposes of the Securities (see further "Restructuring" in Part 3 below); and
- (iii) in certain cases following the occurrence of a Restructuring Credit Event, to trigger settlement of the Reference CDS in relation to an amount that is less than the Reference Entity Notional Amount of such Reference Entity under such Reference CDS (see further Asset Term 2.10 (*Credit Event Notice after Restructuring Credit Event*) below).

#### **Calculation Agent Determinations under the Reference CDS**

Securityholders should note that the Calculation Agent is responsible for making certain determinations with respect to the Securities and the Reference CDS.

##### *Determinations*

The Calculation Agent may be responsible for:

- (i) determining whether an Auction would apply for the purposes of the Reference CDS (see further "The Credit Event Settlement Amount" in Part 1 of this section above);
- (ii) where there are multiple Auctions held concurrently, determining the Auction which will apply to the Securities (see further "The Credit Event Settlement Amount" in Part 1 of this section above);
- (iii) where the Credit Event Settlement Amount is not determined by an Auction, determining the Credit Event Settlement Amount on the basis of bid quotations from third party dealers;
- (iv) if "Break Funding Amount" is specified as applicable in the Specific Terms, determining the Break Funding Amount;

- (v) where the Credit Event Settlement Amount is not determined by an Auction, (i) determining a date for the valuation of certain eligible obligations, which will be a date falling no later than five Business Days following the cut-off date for physical settlement of the Reference CDS for purposes of the Reference CDS and (ii) selecting third party dealers from which to obtain bid quotations for the purposes of such valuation (see further "Fallback settlement" in Part 3 below);
- (vi) absent publication by ISDA of a resolution of a CDDC, determining successor Reference Entities for the purposes of the Reference CDS (see further "Reference Entities and Succession Events" below);
- (vii) absent publication by ISDA of a resolution of a CDDC, determining substitute Reference Obligation(s) for the purposes of the Reference CDS (see further "Reference Obligations" below);
- (viii) determining whether, under the terms of the Reference CDS, the obligations of the parties would be suspended pending a resolution of a CDDC (see further Asset Term 2.9 (*Settlement Suspension*) below);
- (ix) following the occurrence of an Event Determination Date, where a CDDC resolves that an Event Determination Date occurred on a date that is different from the date first determined or that no Event Determination Date occurred, determining, acting in a commercially reasonable manner, any additional amount payable to the Securityholder(s) or any reduction in any subsequent amount that would otherwise subsequently be payable to the Securityholders (see further Asset Term 4 (*Adjustments to Event Determination Date and related payments*) below); and
- (x) where the redemption of the Securities is extended beyond the Scheduled Maturity Date, determining the Extended Maturity Date, which will be a date falling no later than five Business Days after the date on which it is no longer possible for an Event Determination Date to occur (see further Asset Term 2.5 (*Redemption at Extended Maturity Date*)).

Securityholders 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 Securityholders.

### PART 3: TERMS OF THE REFERENCE CDS

#### Reference Entities and Succession Events

Securityholders are exposed, through the Asset Terms and the Reference CDS, to the creditworthiness of the Reference Entity (or, if the Specific Terms specify more than one such entity, each Reference Entity). The creditworthiness of a Reference Entity may change over time. If the creditworthiness of a Reference Entity declines, then the market value of the Securities is likely to decline, reflecting an increase in the perceived likelihood that an Event Determination Date may occur in relation to that Reference Entity.

The identity of a Reference Entity, and hence the risk profile associated with the Securities, may change as a result of a succession or series of successions (forming part of a pre-determined plan), in respect of relevant obligations of that Reference Entity, or, in the case of a sovereign Reference Entity, events such as unification, annexation, cessation, partition, dissolution, reconstitution, or other similar events (the latter being referred to in the 2014 Definitions as a "**Sovereign Succession Event**"). If ISDA publicly announces that a CDDC has resolved that a different entity or entities has or have become successor(s) to the original Reference Entity, and such resolution would apply to the Reference CDS, then the identity of the original Reference Entity will be treated as having been amended accordingly for the purposes of the Securities. The credit risk associated with a successor Reference Entity or Reference Entities may be different from and could be greater or lesser than the credit risk associated with the original Reference Entity.

The 2014 Definitions set out detailed rules for the determination of successor Reference Entities including following a Sovereign Succession Event. 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 relevant Reference Entity. Where the Reference Entity is a sovereign, such determination requires that the entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event. 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 the Reference CDS will be treated as having been split into multiple new transactions, each such transaction referencing one of the relevant successors and each such new transaction having a Reference Entity Notional Amount equal to the Reference Entity Notional Amount of the original Reference Entity divided by the number of successors. Accordingly, if a Reference Entity has more than one successor Reference Entity as a result of such succession, then the Securityholders will be exposed to the creditworthiness of multiple Reference Entities.

Where "Financial Reference Entity Terms" apply to a Reference Entity, a senior Reference CDS (as determined in accordance with the terms thereof, being a Reference CDS for which (a) the Reference Obligation or prior reference obligation is a senior obligation or (b) there is no Reference Obligation or prior reference obligation) would follow the senior Bond or Loan Obligations of such Reference Entity, and a subordinated Reference CDS (as determined in accordance with the terms thereof, being a Reference CDS for which the Reference Obligation or prior reference obligation is a subordinated obligation) would follow the subordinated Bond or Loan Obligations of such Reference Entity (or if there are no such subordinated obligations, the senior Bond or Loan Obligations).

For Nth-to-Default Credit-linked Notes, a successor Reference Entity will be determined in accordance with the rules set out in the 2014 Definitions as supplemented by the Nth-to-Default Supplement. It is possible that one Reference Entity (the "**Surviving Reference Entity**") may become a successor to another Reference Entity. If the "Transaction Type" and "Reference Obligation" applicable to the Surviving Reference Entity are not the same as those applicable to the original Reference Entity, the Reference CDS may in some circumstances will be treated as having been split into two new transactions, one such transaction having the "Transaction Type" and "Reference Obligation" applicable to the original Reference Entity and the other having the "Transaction Type" and "Reference Obligation" applicable of the Surviving Reference Entity.

In determining successors, a CDDC will disregard a succession that occurred more than 90 days prior to the date of the relevant request to convene the CDDC, except in the case of a Universal Successor for non-sovereign Reference Entities. The Calculation Agent is not obliged to make any such request to a CDDC on behalf of the Securityholders, and Securityholders will have no ability to make such a request solely by virtue of being a Securityholder. Absent publication by the DC Secretary 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 Reference CDS.

The "Universal Successor" exception to the 90 day lookback period applies where an which assumes all obligations (including at least one relevant Bond or Loan Obligation) of the non-sovereign Reference Entity in circumstances where such Reference Entity ceases to exist or is in the process of being dissolved and has not issued or incurred any Borrowed Money obligation since the date of such assumption. Such entity

will be the sole successor to the Reference Entity provided that the succession date occurred on or after a single lookback date of 1 January 2014.

### **Reference Obligations**

The Specific Terms may specify one or more "**Reference Obligations**". For more commonly traded Reference Entities, it is not necessary for a Reference Obligation to be specified in the Specific Terms as the Reference Obligation. In the absence of a Reference Obligation being specified in the Specific Terms, the Reference Obligation will be the obligation, if any, specified as the "**Standard Reference Obligation**" for the relevant Reference Entity for the relevant seniority level on a list to be published by the DC Secretary and/or ISDA. Whether the Reference Obligation is a Standard Reference Obligation or otherwise, the specification of a Reference Obligation may affect the credit risk represented by an investment in the Securities. Firstly, a Reference Obligation under a credit default swap will be capable of being an "Obligation" or "Deliverable Obligation" (see below "**Obligations**" and "**Deliverable Obligations**") regardless of whether such Reference Obligation otherwise meets the stipulated parameters. Secondly, the Reference Obligation will be taken into account as a benchmark for the purposes of the application of the "Not Subordinated" Deliverable Obligation Characteristic (see below "Obligation Characteristics").

The following relates to substitution of "Non-Standard Reference Obligations" and references to Reference Obligation in the remainder of this paragraph should be construed accordingly. In certain circumstances – for example, where the specified Reference Obligation (i) is redeemed in whole; or (ii) is affected by a reduction by redemption or otherwise in the aggregate amounts due under the Reference Obligation to below USD 10,000,000 (or equivalent); or (iii) ceases to be an obligation of the Reference Entity for any reason other than the occurrence of a Credit Event (each such event a "**Substitution Event**") – the 2014 Definitions provide for determination of a substitute Reference Obligation. Any such substitute Reference Obligation is required, amongst other things, to satisfy a number of criteria including the requirement that, where the original Reference Obligation satisfied the Deliverable Obligation Category and Characteristics when issued and immediately prior to the Substitution Event, the Substitute Reference Obligation must also satisfy such Deliverable Obligation Category and Characteristics. If ISDA publicly announces that a CDDC has resolved to treat a different obligation or obligations as a substitute or substitutes for the original Reference Obligation or Reference Obligations, and such resolution would apply to the Reference CDS, then those substitute reference obligations that are identified by the relevant CDDC will replace one or more Reference Obligations. 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 any substitute Reference Obligation for the purposes of the Reference CDS. The Calculation Agent will notify the Securityholders of any such substitute Reference Obligation.

### **Event Determination Date and Notice Delivery Period**

Where the relevant transaction is subject to settlement by reference to an Auction (see below), an Event Determination Date will occur if there is a public announcement by the DC Secretary that a CDDC has resolved that a Credit Event has occurred, with effect from the date on which the relevant request was made to convene the CDDC and the CDDC possessed sufficiently publicly available information (referred to as the "**Credit Event Resolution Request Date**") and provided that (i) the Credit Event in question occurred no earlier than 60 days before such request date (referred to as the "**Credit Event Backstop Date**"), (ii) the date of such request fell within a specified period (referred to as the "**Notice Delivery Period**") and (iii) (in the case of an M(M)R Restructuring Credit Event only), that one or other of the relevant parties has elected to trigger settlement of the transaction in question (see above).

Unless the Credit Event Backstop Date is specified as being the Trade Date or later in the Specific Terms, the Credit Event Backstop Date may be prior to the Trade Date and therefore a Credit Event may have occurred prior to the "Trade Date" specified with respect to any Security. Securityholders should conduct their own review of any recent developments with respect to a Reference Entity by consulting publicly available information. If a request to convene a CDDC has been delivered prior to the Trade Date to determine whether a Credit Event has occurred with respect to a Reference Entity, details of such request may be found free of charge on the CDDC website (or any successor website). Save in relation to Securities where the Specific Terms specifies that the Credit Event Backstop Date is the Trade Date, even if a CDDC has not been convened to determine such matter as of the Trade Date, a CDDC may still be convened after the Trade Date or later in respect of an event which occurs up to 60 calendar days before the date of a request to convene such CDDC.

The Notice Delivery Period in relation to the Reference CDS is the period during which a Credit Event may be triggered with respect to the relevant Reference Entity. The Notice Delivery Period will commence on the "**Trade Date**" of the Reference CDS (as specified in the Specific Terms) and will expire on the date that is 14 calendar days after the Scheduled Termination Date of the Reference CDS.

However, in certain circumstances, the Notice Delivery Period may be extended beyond the date falling 14 calendar days after the Scheduled Termination Date of the Reference CDS, if a potential Credit Event, such as a Failure to Pay (only if "Grace Period Extension" is specified as applicable in the Specific Terms or where relevant in the Physical Settlement Matrix) or Repudiation/Moratorium (only if such event is an applicable Credit Event), has occurred prior to the Scheduled Termination Date, which may become actual Credit Events within a specified period following the Scheduled Termination Date (see further "Credit Events and related terms" in this Part 3 below).

If, notwithstanding a request having been made to the CDDC to determine whether a Credit Event has occurred, there is no relevant CDDC resolution, the Issuer may trigger the settlement (or partial settlement) of the Reference CDS and hence the payment of the Credit Event Settlement Amount under the Securities by delivering a notice of a Credit Event, together with supporting information derived from specified public sources (which may include public news or information sources, the Reference Entity itself, court or other public filings or paying agents, trustees or other intermediaries appointed in respect of obligations of the Reference Entity) equivalent to the notice and supporting information which a buyer of credit protection under the Reference CDS would be required to deliver in order to trigger settlement (or partial settlement) of the Reference CDS following a Credit Event.

### **Credit Events and related terms**

Settlement of a credit default swap, including the Reference CDS, 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, and will be determined by reference to the Physical Settlement Matrix (unless otherwise specified in the Specific Terms). The selection of Credit Events as applicable or not applicable will materially affect the risk to which Securityholders are exposed.

The 2014 Definitions provide for a number of Credit Events, which can be summarised as follows:

#### **Bankruptcy**

"**Bankruptcy**" includes where a Reference Entity:

- (i) is dissolved (other than where this is as a result of the 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, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (iv) institutes, or has instituted against it, a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other 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 or liquidation (other pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator or equivalent official for it or for all or substantially all of its assets; 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 the 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 the 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.

Note that in relation to certain Reference Entities, where "Grace Period Extension" is specified as being applicable in accordance with the Physical Settlement Matrix or as set out in the Specific Terms, the Notice Delivery Period of the Reference CDS may be extended beyond the Scheduled Termination Date, if a potential failure to pay occurs prior to the Scheduled Termination Date of the Reference CDS, pending a potential cure of such failure to pay within the applicable Grace Period.

In such case the redemption of the Securities will also be extended beyond their Scheduled Maturity Date until the "Extended Maturity Date" of the Securities, which, if no Event Determination Date ultimately occurs, will be a date selected by the Calculation Agent falling no later than five Business Days after the date on which the Calculation Agent determines it is no longer possible for an Event Determination Date to occur. In such case, the redemption of the Securities may be subject to material delay. After the Scheduled Maturity Date of Securities, interest will accrue at the rate for overnight deposits in the currency of the Securities, without margin or spread. Such rate is likely to be lower than the rate which applied to the securities prior to the Scheduled Maturity Date.

The 2019 Narrowly Tailored Credit Event Supplement to the Credit Definitions (the "**NTCE Supplement**") contains amendments to the Credit Definitions addressing narrowly tailored credit events ("**NTCEs**"). NTCEs are arrangements with corporations that cause a credit event leading to settlement of CDS contracts while minimising the impact on the corporation. Where the NTCE Supplement is incorporated into the terms of a credit default swap, a deterioration in the creditworthiness or financial condition of a Reference Entity will be required for the purposes of determining a Failure to Pay Credit Event, thereby limiting the circumstances in which a Failure to Pay Credit Event can occur.

### **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 2014 Definitions may occur if:

- (i) any of the following events occurs in relation to a particular obligation of a Reference Entity:
  - (i) a reduction in the rate or amount of interest payable (including by way of redenomination);
  - (ii) a reduction in the amount of principal payable (including by way of redenomination);
  - (iii) a postponement or other deferral of a date or dates for payment of interest, principal or premium;
  - (iv) 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
  - (v) a redenomination of an obligation (other than to certain permitted currencies, and excluding a redenomination into Euro where the relevant currency jurisdiction joins the Euro-zone); and
- (ii) such event occurs in a form which binds all of the holders of that obligation, is agreed between the Reference Entity or a governmental authority and a sufficient number of holders of such obligation to bind all holders of the obligation (including, in each case, in respect of Bonds only, by way of an exchange) 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.

If a Bond exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (i)(A) to (E) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange. Unless "Multiple Holder Obligation" is specified as not applicable in relation to a particular Reference Entity in the Physical Settlement Matrix or the Specific Terms, 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.

For certain "Transaction Types" specified in the Physical Settlement Matrix, limitations apply 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.

#### *Restructuring Maturity Limitation and Fully Transferable Obligations ("Mod R")*

If "Mod R" applies in accordance with the Physical Settlement Matrix or is specified as applicable in the Specific Terms, 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. It must also be possible to transfer the obligation to a bank or financial institution or other entity which regularly makes, purchases or invests in loans or other financial assets. The maturity of such obligation must fall within specified limits.

#### *Modified Restructuring Maturity Limitation and Conditionally Transferable Obligations ("Mod Mod R")*

If "Mod Mod R" applies in accordance with the Physical Settlement Matrix or is specified as applicable in the Specific Terms, 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.

Note that, under the terms of the Reference CDS, a resolution of a CDDC that a "Restructuring" has occurred will only result in settlement of the Reference CDS if one of the parties elects to deliver a notice to the other party within a stipulated cut-off period. The Calculation Agent on behalf of the Issuer will be entitled to elect whether or not to treat settlement of the Reference CDS as having been triggered (and accordingly to elect whether an Event Determination Date occurs for the purposes of the Securities) as though the Issuer were the buyer. Securityholders will not have the right to elect the occurrence of an Event Determination Date in such circumstances; accordingly, where the Issuer does not make an election to trigger settlement, such Securityholders will be exposed to the risk that future Credit Events will occur and may result in larger losses than would otherwise have been the case.

#### **Repudiation/Moratorium**

A "Repudiation/Moratorium" will occur where a Reference Entity or a governmental authority repudiates or rejects, in whole or in part, or challenges the validity of one or more obligations, or declares or imposes a moratorium, standstill, roll-over or deferral and a Failure to Pay or a Restructuring occurs (without taking into account specified minimum amounts) on or before the stipulated evaluation date.

The Notice Delivery Period will be extended beyond the Scheduled Termination Date of the Reference CDS in respect of Securities where a potential Repudiation/Moratorium Credit Event has occurred before the Scheduled Termination Date and an evaluation will take place at a later date. In the case of obligations other than bonds the maximum extension will be 60 days following the relevant event giving rise to the extension. In the case of obligations that are bonds, the maximum extension will be 60 days from the event giving rise to the extension or until the first payment date on the relevant bonds, if such date is later.

Note that, if Repudiation/Moratorium is an applicable Credit Event according to the Physical Settlement Matrix or is specified as applicable in the Specific Terms in relation to a Reference Entity and the Notice Delivery Period is extended pending the evaluation of a potential Repudiation/Moratorium, the redemption of the Securities may also be extended to the Extended Maturity Date. The Extended Maturity Date is a date falling no later than five Business Days after the date on which it is no longer possible for an Event Determination Date to occur. In such case the redemption of the Securities may be subject to material delay pending the occurrence of the relevant evaluation date under the Reference CDS as described above.

#### **Obligation Default**

An "Obligation Default" will occur where one or more obligations of a Reference Entity have become capable of being declared due and payable early because of the occurrence of a default, an event of default, or any other similar condition or event (however described), other than a failure to pay.

### **Obligation Acceleration**

An "Obligation Acceleration" will occur where an Obligation Default occurs and eligible obligations have become due and payable under their terms.

### **Governmental Intervention**

A "Governmental Intervention" will occur where, as a result of the action taken or announcement made by a governmental authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulations) applicable to the relevant Reference Entity, certain binding changes are made to the relevant obligations of the Reference Entity. Such changes may include, without limitation, a reduction in the rate or amount (as applicable) of interest, principal or premium payable when due, a postponement or other deferral of the date or dates for payment of interest, principal or premium, a change in the ranking in priority of payment of any obligation, or a mandatory cancellation, conversion or exchange.

Unlike a "Restructuring", "Governmental Intervention" is not subject to the requirement for a deterioration in creditworthiness or financial condition of the Reference Entity or to the "Multiple Holder Obligation" requirement, and applies regardless of whether the relevant event is expressly provided for under the terms of the Obligation (for example, debt with bail-in provisions).

Note that a Credit Event will occur regardless of whether it occurs due to (for example) the relevant Reference Entity not being authorised to incur the relevant obligation, the illegality or unenforceability of any obligation, applicable law or regulation or an order of a court or tribunal or any exchange controls or capital requirements being imposed.

### **Obligations**

The occurrence of Credit Events such as a Failure to Pay, Restructuring, Repudiation/Moratorium, Obligation Default, Obligation Acceleration and Governmental Intervention will be determined by reference to eligible obligations of the Reference Entity, referred to together as "**Obligations**", which may be loans, bonds or other obligations issued directly by the Reference Entity or obligations in respect of which the Reference Entity acts as guarantor. Obligations will be defined by reference to the Physical Settlement Matrix or in the Specific Terms for the Securities by way of specified "**Obligation Categories**" and "**Obligation Characteristics**". The applicable Obligation Category and Obligation Characteristics will vary from one Reference Entity to another, according to the terms which apply as set out in the Specific Terms and which may be by reference to the Settlement Matrix. Certain Obligations may be excluded from the determination as to whether or not a Credit Event has occurred (such Obligations, "**Excluded Obligations**"). Where "Financial Reference Entity Terms" applies to a Reference CDS and with respect to the determination of whether a Governmental Intervention or Restructuring has occurred: (a) any subordinated obligation shall be an Excluded Obligation, if the Reference CDS is specified to be a "Senior Transaction"; and (b) any obligation subordinated to the obligation in (a) shall be an Excluded Obligation, if the Reference CDS is specified to be a "Subordinated Transaction".

### **Obligation Categories**

The Obligation Category may be any of "Payment", "Borrowed Money", "Reference Obligation Only", "Bond", "Loan" or "Bond or Loan", only one of which will be specified in the Physical Settlement Matrix in relation to the relevant Reference Entity or in the applicable Specific Terms.

"Payment" and "Borrowed Money" are the broadest Obligation Categories. Payment means the payment or repayment of any money, including Borrowed Money. It covers bonds, loans, guarantees, payments due under derivatives and repos and trade debts.

"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.

"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.

"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.

If "Bond or Loan" is specified in the Physical Settlement Matrix or Specific Terms, this includes any Obligation which is either a Bond or a Loan.

"Reference Obligation Only" means that only the Reference Obligation which is specified in the Specific Terms will constitute an "Obligation".

### **Obligation Characteristics**

Obligation Characteristics may be any one or more of "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency", "Not Domestic Law", "Listed" (applicable to Obligations which are bonds only), or "Not Domestic Issuance", as specified in the Physical Settlement Matrix or in the applicable Specific Terms.

"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 Reference Obligation in terms of priority of payment. If no Reference Obligation is specified in the Specific Terms 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 Specific Terms or Physical Settlement Matrix or, if no currency is so specified, any of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom, the United States of America and the Euro and any successor currency to any such currencies (which in the case of the Euro, shall mean the currency which succeeds to and replaces the Euro in whole); provided that if the Euro is a specified currency, that shall also include an obligation that was previously denominated in Euro, regardless of any redenomination thereafter.

"Not Sovereign Lender" means any obligation that is not primarily owed to a sovereign or supra-national organisation.

"Not Domestic Currency" means any obligation that is payable in any currency other than the domestic currency as specified in the Physical Settlement Matrix or Specific Terms, but excludes the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the Euro and any successor currency to any of them. 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 organized if it is not a sovereign.

"Not Domestic Law" means any obligation that is not governed by the laws of the Reference Entity, if such Reference Entity is a Sovereign, or the jurisdiction of organization of the Reference Entity, if such Reference Entity is not a Sovereign; provided, in each case, that the laws of England and the laws of the State of New York shall not constitute a Domestic law.

"Listed" means an obligations which is quoted, listed or ordinarily purchased and sold on an exchange.

"Not Domestic Issuance" means any obligation except any obligation that either (A) in the case of a loan, was incurred or solely originated by lenders in the domestic market of the Reference Entity or (B) in the case of a Bond was issued or 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 Reference Entity) satisfies this characteristic.

A Reference Obligation may be an Obligation despite the fact that it may not meet the Obligation Characteristics that are set out in the Specific Terms or, if the Specific Terms specifies a "Transaction Type" with respect to the relevant Reference Entity, the Obligation Characteristics applicable to that Transaction Type.

Obligations may be indirect obligations of the relevant Reference Entity by way of an eligible guarantee. If "All Guarantees" applies to a particular Reference Entity, then an eligible guarantee will be any irrevocable guarantee of the Reference Entity of all amounts of principal and interest (except for amounts which are not covered due to the existence of a fixed cap) due to be paid by the relevant underlying obligor, subject to exceptions including, without limitation, (i) where the arrangement is structured as surety bond, financial guarantee insurance policy or letter of credit, or (ii) where the terms of the arrangement provide for the reduction or discharge or assignment of the obligations of the guarantor, other than by payment, by way of a permitted transfer, by operation of law, due to the existence of a fixed cap or due to (a) provisions permitting or anticipating a Governmental Intervention where "Financial Reference Entity Terms" apply in respect of the Reference Entity or (B) any "Solvency Capital Provisions", if "Subordinated European Issuance Terms".

If "All Guarantees" is not specified as applicable in the Physical Settlement Matrix or the Specific Terms, then eligible guarantees will only be those provided by the Reference Entity in respect of a subsidiary (broadly speaking, a subsidiary is 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 governing body).

#### **Auction Settlement of Reference CDS**

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 and would be applicable for the purposes of the Reference CDS, the related Auction Final Price will be used to determine the Credit Event Settlement Amount that will be paid to Securityholders (if any).

During the Auction process, credit derivatives dealers participating in the Auction submit prices at which they would buy and sell Deliverable 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 Issuer (and certain of its affiliates) is a leading dealer in the credit derivatives market. There is a high probability that the Issuer or its affiliates will act as a participating bidder in any Auction held with respect to a Reference Entity. In such capacity, the Issuer 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 Issuer or its affiliates will not be required to, and will not, consider the interests of the Securityholders. The Securityholders have no right, solely by virtue of being an investor in the Securities, to submit a bid or offer in an Auction.

If an Auction is held in respect of a Reference Entity the CDDC will decide timing. 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 of disputes around potential Deliverable Obligations or because the CDDC determines that there is insufficient information available to it to establish auction terms. In such case, the payment of the Credit Event Settlement Amount to the Securityholders may be substantially delayed.

#### **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. Securityholders 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.

Deliverable Obligations will be defined by reference to the Specific Terms which may reference the Physical Settlement Matrix by way of specified "Deliverable Obligation Categories" and "Deliverable Obligation Characteristics". The applicable Deliverable Obligation Category and Deliverable Obligation Characteristics will vary from one Reference Entity to another, according to the trading terms which apply as set out in the Specific Terms which may reference the Physical Settlement Matrix.

The Deliverable Obligation Category may be any of "Payment", "Borrowed Money", "Reference Obligation Only", "Bond", "Loan" or "Bond or Loan" (as explained above in relation to Obligation Categories), only one of which will be specified in the Specific Terms which may reference the Settlement Matrix in relation to the relevant Reference Entity.

Deliverable Obligation Characteristics may be any one or more of "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency", "Not Domestic Issuance", "Not Domestic Law", "Listed", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated or Matured" and "Not Bearer". Certain of such characteristics will be applicable only to Obligations which are bonds ("**Listed**", "**Not Bearer**", "**Not Domestic Issuance**"), which are not loans ("**Transferable**") which are Bonds and/or loans ("**Not Domestic Issuance**") 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.

**"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.

**"Consent Required Loan"** means a Loan that may be assigned or novated only with the consent of the 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.

**"Transferable"** means an Obligation that is transferable to institutional investors without any contractual, statutory or regulatory restrictions.

**"Maximum Maturity"** means that the Obligation must have a maximum maturity which is no longer than the period specified in the Specific Terms, or the Physical Settlement Matrix (or, if not specified, thirty years).

**"Accelerated or Matured"** means an Obligation which on or prior to the date on which it is to be delivered in an Auction 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.

**"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.

A Reference Obligation may be a Deliverable Obligation despite the fact that it may not satisfy the Deliverable Obligation Characteristics that are set out in the Specific Terms or if the Specific Terms specifies a "Transaction Type" with respect to the relevant Reference Entity, the Obligation Characteristics applicable to that Transaction Type.

Deliverable Obligations may be indirect obligations of the relevant Reference Entity by way of an eligible guarantee. See "Obligations" above.

Deliverable Obligations will generally be required to satisfy the stipulated criteria at the point of delivery or the determination of the final list of such obligations for the purposes of an Auction (that is, in either case, following the occurrence of the related Credit Event). However, in certain circumstances – namely where (a) "Financial Reference Entity Terms" and "Governmental Intervention" apply in respect of a Reference Entity and (i) there is a Governmental Intervention Credit Event; or (ii) a Restructuring Credit Event occurs in respect of the Reference Obligation where such Restructuring does not constitute a Governmental Intervention or (b) a Restructuring Credit Event occurs in respect of a Sovereign then Deliverable Obligations may include (in the case of (a)(i)) an obligation which would have been deliverable immediately prior to the relevant Governmental Intervention, (in the case of (a)(ii)) the Reference Obligation or (in the case of (b)) a benchmark bond specified by ISDA, notwithstanding such obligations do not comply with such criteria. In addition, a protection buyer may in such cases deliver a related asset package resulting from, for example, a mandatory exchange of existing debt for new debt or other assets and may be comprised of financial or non-financial assets. The asset package would be treated as having the same outstanding principal as obligation from which such package results. This applies even if the resulting asset package is deemed to be zero where there are no resulting assets, and, in such case, the buyer of credit protection would receive a 100 per cent. payout.

#### **Auction Settlement following an M(M)R 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. In addition, in the context of a Restructuring Credit Event in relation to a sovereign Reference Entity, the obligations to be taken into account for the purposes of the related Auction(s) will (in the absence of any other restrictions on delivery, subject to certain criteria and as determined in accordance with the rules of the CDDC be a benchmark obligation of the relevant sovereign which is identified by ISDA for these purposes and published on its website.

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" as explained above) 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 Physical Settlement Matrix or the Specific Terms.

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 is applicable. Where a Restructuring has occurred with respect to a Reference Entity and Mod Mod R applies, there are only four separate buckets which might apply with the latest maturity bucket being the 10 year bucket mentioned below. The first seven such maturity buckets (noting, as mentioned above, that only the first four maturity buckets apply where Mod Mod R is applied) 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.

For the purposes of determining the Auction which is relevant to the Securities, the Calculation Agent will take into account the Auction, if any, which would be used for purposes of settlement (or partial settlement) of the Reference CDS. If no Auction is held for the relevant maturity bucket, then the Calculation Agent will select a relevant Auction as though it were the buyer of credit protection under the Reference CDS. Securityholders will not have the ability to give notice of selection of an Auction in such circumstances.

#### **Fallback settlement**

If a CDDC elects not to hold an Auction in relation to a particular Credit Event or if an Auction is cancelled and the fallback settlement method is physical settlement—the seller of credit protection under the Reference CDS would be obliged to make payment of a cash amount corresponding to the par amount of Deliverable Obligations of the affected Reference Entity which are transferred to it by the protection buyer. However, in such case the Securities will be subject to cash settlement on the basis of a valuation process set out in the Asset Terms.

Note that settlement of a market standard credit default swap (which may include the Reference CDS if it is on market standard terms) may be substantially delayed if there is a fallback to physical settlement. The

Calculation Agent will select a date for valuation of certain eligible obligations which would fall within the permitted settlement period for purposes of the Reference CDS and, consequently, payment of the Credit Event Settlement Amount may be substantially delayed.

## INFORMATION REGARDING CREDIT LINKED SECURITIES

This section provides general information regarding Credit Linked Securities and any decision to invest in the Securities should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference.

### Issuers

Credit Suisse AG, acting through its London Branch, Nassau Branch or Singapore Branch and Credit Suisse International, as specified in the Specific Terms.

### Credit-linked Securities

#### *General*

Credit-linked Securities are securities which are linked to the creditworthiness of an entity or basket of entities, which may be (or be comprised of) corporate, financials, or sovereign or supra-national entities (referred to as "**Reference Entities**"). In purchasing the Securities, investors assume exposure to such Reference Entities.

Credit-linked Securities differ from ordinary debt securities issued by the Issuer in that payments of interest and principal on the Securities are dependent on whether one or more of a number of specified events occurs in relation to the relevant Reference Entity or Reference Entities (referred to as "**Credit Events**") and whether, as a result, settlement of a hypothetical credit default swap transaction entered into in relation to such Reference Entities would be triggered (see "Reference CDS" below).

The Securities may be linked to a single Reference Entity ("**Single Name Credit-linked Securities**") or to multiple Reference Entities ("**Basket Credit-linked Securities**"). Basket Credit-linked Securities may be linked to a standard basket of Reference Entities compiled by a third party index sponsor (an index). Alternatively the Securities may be "**Nth to Default Credit-linked Securities**", in which case the Securities will be linked to the credit risk of a number of Reference Entities but subject to redemption in whole on the occurrence of the "Nth" Event Determination Date (for example, where "N" is specified in the Specific Terms as two, on the occurrence of the second Event Determination Date).

The terms of the Securities comprise the General Conditions, as modified by the Asset Terms (as set out in this Prospectus). The Specific Terms applicable to a particular issue of Securities will set out the elections which apply for the purposes of that issuance, and may specify further modifications to the terms of the Securities.

#### *Reference CDS in the context of Credit-Linked Securities*

Payments on the Securities are determined by reference to a hypothetical credit default swap transaction entered into in respect of one or more Reference Entities (the "**Reference CDS**"). Under the Reference CDS the Issuer will be the buyer of credit protection and a hypothetical seller will be the seller of credit protection. The Reference CDS is treated as existing solely for the purposes of making determinations under the Securities and determining payments on the Securities.

The Reference CDS will be documented on the basis of definitions and provisions published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"). Definitions and other documents published by ISDA are available on its website: [www.isda.org](http://www.isda.org) (or any successor website). Some of these publications are available on the website free of charge while others are available only to subscribers of the website.

Certain terms of the Reference CDS may also be determined by reference to a matrix of market standard terms published by ISDA (the "**Physical Settlement Matrix**") if the Specific Terms specifies a "Transaction Type" for such purpose with respect to the relevant Reference Entity. The Specific Terms may also specify any additional terms which apply for the purposes of the Reference CDS.

#### *Reference Entity Notional Amount in respect of Credit-Linked Securities*

The amount of credit protection purchased and sold under the Securities and the Reference CDS in relation to any particular Reference Entity is the "**Reference Entity Notional Amount**". The Reference Entity Notional Amount, other than in respect of principal protected securities, fixed recovery securities or securities which have been purchased at a premium or discount, represents the maximum possible loss which investors in the Securities can incur as a result of the occurrence of a Credit Event affecting any particular Reference Entity. If the Securities are Single Name Credit-linked Securities or Nth to Default Credit-linked Securities, the Reference Entity Notional Amount will, unless otherwise specified in the

Specific Terms, initially be equal to the aggregate outstanding nominal amount of the Securities. If the Securities are Basket Credit-linked Securities, then the Reference Entity Notional Amount for each Reference Entity will, unless otherwise specified in the Specific Terms, be the aggregate outstanding nominal amount of the Securities divided by the number of Reference Entities.

#### *Credit Event and Event Determination Date*

The Credit Events which apply to the relevant Reference Entity/Entities will be as set out under the terms of the Reference CDS, and may include, amongst other things, the failure by a Reference Entity to make payment when due in respect of certain financial obligations, the distressed restructuring by a Reference Entity of such obligations and the insolvency or bankruptcy of a Reference Entity.

An "**Event Determination Date**" may occur either:

- (a) as a result of the secretary to the relevant committee (the "**DC Secretary**") publishing a resolution by a Credit Derivatives Determinations Committee (a "**CDDC**") that a Credit Event has occurred in relation to a Reference Entity (in which case the Event Determination Date will be the date on which (i) the relevant request was effectively made to the CDDC to resolve whether a Credit Event has occurred; and (ii) the CDDC was in possession of supporting information derived from specified public sources (which may include public news or information sources, the Reference Entity itself, court or other public filings or paying agents, trustees or other intermediaries appointed in respect of obligations of the Reference Entity) that reasonably confirms the facts relevant to the determination of such Credit Event, in each case as publicly announced by the DC Secretary); or
- (b) in the absence of a resolution of a CDDC, if the Calculation Agent delivers, on behalf of the Issuer, to Securityholders a notice and supporting information derived from specified public sources (which may include public news or information sources, the Reference Entity itself, court or other public filings or paying agents, trustees or other intermediaries appointed in respect of obligations of the Reference Entity) equivalent to the notice and supporting information which a buyer of credit protection under the Reference CDS would be required to deliver in order to trigger settlement of the Reference CDS following a Credit Event.

Except in specified circumstances, a resolution of a CDDC will be binding for the purposes of the Securities and will prevail over a notice of a Credit Event given by the Issuer (or deemed to be delivered under the Reference CDS).

#### *Credit Derivatives Determinations Committees*

The CDDCs are committees established to make determinations that are relevant to the majority of the credit derivatives market and to promote CDS market efficiency. A CDDC may have the power to make binding decisions for the purposes of the Reference CDS on critical issues such as whether a Credit Event has occurred and whether one or more auctions should take place in relation to the settlement of credit derivative transactions. The proceedings of each CDDC will be governed by rules published from time to time by the DC Secretary on the CDDC website. Securityholders will have no role in the composition of the CDDC by virtue of the fact that they are investors in the Securities.

Credit Suisse International (which is an affiliate of the Issuer) is currently a member of each of the regional CDDCs. In reaching decisions, neither Credit Suisse International nor any other member of a CDDC will take account of the interests of the Securityholders.

#### *Redemption of Securities following an Event Determination Date*

If an Event Determination Date occurs under the terms of the Reference CDS, the outstanding nominal amount of each Security will be reduced by a pro-rata proportion (relative to the outstanding nominal amount of all Securities) of the Reference Entity Notional Amount of the Reference Entity in respect of which an Event Determination Date occurred (or, in certain cases, part only of such amount) unless the Securities are fully principal protected. In the case of Securities which are credit-linked to a single Reference Entity or which are Nth to Default Credit-linked Securities, the amount of such reduction may be (and in the case of "**Zero Recovery Credit Linked Securities**" will be) the entire nominal amount of the Securities.

Following the occurrence of an Event Determination Date, the Issuer will make payment to the Securityholders of the "**Credit Event Settlement Amount**", unless the Securities are Zero Recovery Credit Linked Securities, in which case no such amount will be payable. The Credit Event Settlement Amount will be determined based on the price of certain obligations of the Reference Entity on a specified date following the occurrence of a Credit Event with respect to such Reference Entity. The price may be

determined either by a credit derivatives auction organised by the relevant CDDC and the related auction administrators, or, where there is no auction, on the basis of bid quotations received by the Calculation Agent from third party dealers in the relevant obligations of the Reference Entity or, if no quotations are available, as determined by the Calculation Agent. The Credit Event Settlement Amount is likely to be less than the amount of the outstanding nominal amount of the Securities, in which case the Securityholders will suffer a loss of principal.

If "Break Funding Amount" is specified as applicable in the Specific Terms, in addition to the above, the Credit Event Settlement Amount will also be determined based on an amount, as determined by the Calculation Agent, that represents the cost or benefit to the Issuer of replacing the expected term funding lost as a result of the occurrence of a Credit Event. Such amount will be calculated by taking into account the prevailing credit spreads applicable to unsecured debt of the Issuer and will have (i) a negative impact on the Credit Event Settlement Amount if there is a cost to the Issuer; or (ii) a positive impact on the Credit Event Settlement Amount if there is a benefit to the Issuer.

The loss of principal suffered by an investor on the occurrence of an Event Determination Date may be increased in the case of "**Leveraged Credit Linked Securities**" by the related "**Leveraged Factor**".

#### *Redemption in the absence of an Event Determination Date*

Unless previously redeemed, if no Event Determination Date could, under the terms of the Reference CDS occur following the "**Scheduled Maturity Date**" of the Securities, as specified in the Specific Terms, then the Securities will be redeemed at their outstanding nominal amount (where applicable, as previously reduced as a result of the occurrence of previous Event Determination Dates) on the Scheduled Maturity Date. However, redemption of the Securities may be substantially delayed beyond the Scheduled Maturity Date even where no Event Determination Date is ultimately deemed to have occurred, for example where a Credit Event may have occurred prior to the Scheduled Maturity Date of the Securities, but no Event Determination Date has yet occurred or where resolution by a CDDC as to whether a Credit Event has occurred is pending as at the Scheduled Maturity Date. In the event of such deferral, where no Event Determination Date occurs, interest will be payable on the amount ultimately paid on redemption of the Securities at an overnight deposit rate in the currency of the Securities (without margin or spread) from the Scheduled Maturity Date until the date on which the Securities are actually redeemed, unless this is specified as not applicable in the Specific Terms.

#### *Interest on Credit-linked Securities*

If an Event Determination Date occurs, unless otherwise specified in the Specific Terms, interest will cease to accrue on the amount of any reduction in the outstanding nominal amount of each Security (which will equal a pro-rata proportion (relative to the outstanding nominal amount of all Securities) of the Reference Entity Notional Amount of the Reference Entity in respect of which an Event Determination Date occurred) with effect from the first day of the interest accrual period in which such Event Determination Date fell (or from the Interest Commencement Date, if the Event Determination Date occurs prior to the Issue Date).

#### **Risks relating to Credit-linked Securities**

Prospective investors in the Securities should read "What are the key risks that are specific to the Securities?" in the Summary and the section of the Securities Note headed "Risk Factors" and, if relevant, any further risk factors set out in the Specific Terms.

Prospective investors in the Securities should consider the risk factors set out in the Securities Document and the relevant Registration Document and, if relevant, any further risk factors set out in the Specific Terms. The following is a summary of certain risks which are specific to Credit-linked Securities.

#### *Exposure to Creditworthiness of Reference Entity/Entities*

In addition to the credit risk of the Issuer, payments on the Securities are linked to the creditworthiness of the underlying Reference Entities. Investors in Credit-linked Securities are exposed to the creditworthiness of the underlying Reference Entities.

Unless otherwise specified in the Specific Terms, the Securities are not principal protected and Securityholders may lose the entire amount of principal invested and may not receive any payments of interest if an Event Determination Date occurs.

If, under the Reference CDS, an Event Determination Date occurs with respect to a Reference Entity, the outstanding nominal amount of each Security will be reduced by a pro-rata proportion (relative to the outstanding nominal amount of all Securities) of the Reference Entity Notional Amount of the Reference

Entity in respect of which an Event Determination Date occurred, and the Securityholders will receive a cash amount equal to the Credit Event Settlement Amount, which is likely to be less than the outstanding nominal amount of each Security and may be zero. Interest will also cease to accrue on the amount by which the outstanding nominal amount of the Securities is reduced, Securityholders will also therefore suffer a loss of interest following the occurrence of an Event Determination Date.

The financial condition and creditworthiness of a Reference Entity may change over time. Public information which is available in relation to a Reference Entity may be incomplete, misleading or out of date. The identity of each Reference Entity is subject to change as a result of corporate or other actions such as a merger or demerger. The risks associated with a successor Reference Entity may be different from the risks associated with the original Reference Entity.

If the Securities are linked to multiple Reference Entities, the probability that an Event Determination Date will occur may be increased. The risk profile of Credit-linked Securities may be magnified if the Reference Entities are concentrated in a particular industry sector or geographic area, or if they have exposure to similar financial or other risks.

*Leverage or zero recovery features may result in increased losses*

Losses to investors may be increased where the Securities are leveraged or specify a zero recovery.

*No need for Issuer to suffer loss*

A Credit Event may occur even if the Issuer does not suffer any loss as a result of such Credit Event.

*Market value of Securities*

The market value of the Securities will be affected by a wide variety of factors including the financial condition and actual or perceived creditworthiness of the Issuer and each Reference Entity as well as issues of supply and demand which are specific to the credit default swap market as opposed to the bond market. The market value of the Securities is likely to be more volatile than the market value of a non-structured debt instrument of the Issuer, in particular where the Securities are leveraged.

*Reference CDS*

Payments on the Securities will be determined by reference to the Reference CDS, which is hypothetical only, and is assumed to exist only for the purposes of making calculations under and determinations affecting the Securities. Securityholders will have no rights under the Reference CDS and no interest in any actual credit default swap transaction. An investment in the Securities is not equivalent to entry into such a transaction. The terms of the Reference CDS may be subject to modification in certain circumstances (including where a protocol has been published by ISDA to amend the terms of credit default swap transactions) and in such case related modifications may be made to the terms of the Securities without the consent of the Securityholders.

*No claim against Reference Entity*

Securityholders will have no claim against any Reference Entity and no interest in or rights under any obligation of a Reference Entity. An investment in the Securities is not equivalent to an investment in, or short selling, the obligations of a Reference Entity.

*Risks relating to settlement following a Credit Event*

Where settlement (or partial settlement) of the Securities following a Credit Event is determined by reference to a credit derivatives auction, the Auction Final Price that results from such auction may be affected by technical factors. To the extent these factors alter the Auction Final Price, payments to Securityholders may be reduced. The Issuer and/or any affiliate of the Issuer may act as a participating bidder in a credit derivatives auction. In deciding whether to act as a participating bidder in any auction or to take any other action related to an auction, such persons shall be under no obligation to consider the interests of any Securityholder.

Where settlement is determined by reference to the price determined by the Calculation Agent, the Issuer will be entitled to select the obligation(s) to be valued. The selected obligation(s) may have lower market value than other eligible obligation(s).

*Postponement of redemption and deferral of payments*

In certain circumstances, for example where a potential Credit Event exists as at the Scheduled Maturity Date of the Credit-linked Securities or a resolution of a CDDC is pending at such time, the redemption of

the Securities may be postponed for a material period of time after the Scheduled Maturity Date. Interest will accrue on the amount ultimately payable in redemption of the Securities after the Scheduled Maturity Date at a rate for overnight deposits in the currency of the Securities, without margin or spread. Such rate is likely to be lower than the rate which applied to the Securities prior to the Scheduled Maturity Date.

Where an Event Determination Date has occurred, payment of the Credit Event Settlement Amount due on the Credit-linked Securities may be deferred for a material period if "Settlement Deferral" is specified in the Specific Terms. In such case, interest will not accrue on the Credit Event Settlement Amount.

*Risks relating to Credit Derivatives Determinations Committee*

Securityholders will be bound by determinations of a CDDC. Securityholders will have no ability to submit questions to such CDDCs, no influence on the composition of such CDDCs and no recourse to the CDDC, the DC Secretary, to the members of such CDDCs or any other party involved in the operation of the CDDC process (including any advisors) solely by virtue of being an investor in the Securities. None of the Issuer or the Calculation Agent will have any liability to Securityholders where they rely on a determination of a CDDC. Credit Suisse International (which an affiliate of the Issuer) is currently a member of each of the regional CDDCs. In reaching decisions, neither Credit Suisse International nor any other member of a CDDC will take account of the interests of the Securityholders.

## FREQUENTLY ASKED QUESTIONS

The frequently asked questions (and their respective answers) set out below highlight selected information from this Prospectus to help prospective investors understand the Securities. Prospective investors should read carefully each of the General Conditions, the Asset Terms, the Description of the Asset Terms and the Reference CDS and the Specific Terms in their entirety to understand fully the terms of each issuance of Securities.

Prospective investors should, in particular, carefully review the section entitled "Risk Factors", which highlights certain risks, to determine whether an investment in the Securities is appropriate. All of the information set forth below is qualified in its entirety by the General Conditions, the Asset Terms and the Specific Terms applicable to an issuance of Securities.

### **SECTION 1: FREQUENTLY ASKED QUESTIONS RELATING TO CREDIT-LINKED SECURITIES GENERALLY**

#### **Who is issuing the Securities?**

The Securities are issued by Credit Suisse AG acting through its London Branch.

#### **What are Credit-linked Securities?**

Credit-linked Securities are securities, the value of which is linked to the creditworthiness of one or more entities, which may be (or be comprised of) corporate, financial or sovereign or supra-national entities (each a "**Reference Entity**"). The amount of interest and principal which Securityholders will receive on the Securities is dependent on whether certain specified events ("**Credit Events**") occur in respect of the relevant Reference Entity/Entities to which the Securities are linked and whether, as a result, an Event Determination Date under a hypothetical credit default swap transaction would occur in relation to such Reference Entity/Entities. Investors in Credit-linked Securities the Securities investors are exposed to the creditworthiness of the Reference Entity/Entities. A Credit-linked Security is broadly intended to give the investor access to a credit default swap (as if it were the buyer of protection thereunder) referencing a certain Reference Entity/Reference Entities through a Reference CDS. Therefore, many of the features and risks applicable to the Reference CDS will be equally applicable to a Credit-linked Security.

Credit-linked Securities may be linked to a single Reference Entity or to multiple Reference Entities.

Following the occurrence of a Credit Event with respect to any such Reference Entity and an Event Determination Date under the Reference CDS, Securityholders may lose some or all of their investment in the relevant issuance of Securities.

The Securities are unsecured and unsubordinated obligations of the relevant Issuer. The Securities are not secured by the Issuer's assets or any collateral and will rank equally with all other unsecured and unsubordinated obligations of the Issuer but will be subject to any preferred obligations (for example, those of secured creditors).

In an insolvency of the Issuer, Securityholders may lose their entire investment since the claims of secured or preferred creditors, holders of certain deposit liabilities and the claims of a receiver for administrative expenses will have priority over the claims of general unsecured creditors, which will include the Securityholders.

#### **What is credit risk?**

Credit risk is the risk that a Reference Entity fails to perform its obligations in respect of a debt or other relevant transaction (including loan agreements entered into or guaranteed by the Reference Entity and securities issued or guaranteed by the Reference Entity), when those obligations are due to be performed. This is generally (but not exclusively) as a result of a deterioration in its financial condition.

#### **What is creditworthiness and what are credit spreads?**

Creditworthiness is the extent to which a Reference Entity is considered financially sound enough to justify the extension of credit. A less creditworthy Reference Entity is viewed as more likely to fail to perform its obligations in respect of a debt or other relevant transaction. A credit spread is the difference in yield between two bonds of similar maturity but different credit quality.

#### **What are credit derivatives and credit default swaps?**

Credit derivative transactions are agreements between two parties that allocate credit risk in respect of specified Reference Entities. One of the parties to the transaction will be a buyer of credit protection (and hence a seller of credit risk), whilst the other will be a seller of credit protection (and therefore a buyer of credit risk).

Credit default swaps are transactions in which settlement is triggered by one of a specified number of events, which may include a payment default, insolvency or distressed restructuring occurring in relation to the specific Reference Entity or Reference Entities specified in the terms of such transaction and certain conditions to settlement being satisfied. A buyer of credit protection will make one or more payments of fixed amounts to the seller of credit protection. In exchange, the seller of credit protection agrees to make payment to the buyer of credit protection following the occurrence of the relevant event in relation to the Reference Entity, subject to satisfaction of certain conditions. (See further "Part 2: Credit Default Swaps" of "Description of the Asset Terms and the Reference CDS").

#### **What is the difference between a Credit-linked Security and a bond issued by a Reference Entity?**

A Credit-linked Security gives the investor exposure to the creditworthiness of a Reference Entity without having to own a bond or other type of debt obligation of such Reference Entity. The Reference Entity itself is not a party to and has no direct involvement in the Credit-linked Security and an investor will not be able to claim from the Reference Entity in respect of any losses it suffers from the performance of the Reference Entity. The Issuer is not obliged to hold any obligation of the Reference Entity or otherwise have exposure to the creditworthiness of the Reference Entity. In addition to the creditworthiness of the relevant Reference Entity to which the Securities are linked, an investor will also be exposed to the credit risk of the Issuer, so regardless of how the Reference Entity is performing, an investor may still suffer a loss if the Issuer's creditworthiness declines or it goes bankrupt.

#### **What is the maturity of the Securities?**

Each Security has a scheduled maturity date as stated in the Specific Terms (the "**Scheduled Maturity Date**"). In the case of Basket Credit-linked Securities, even if an Event Determination Date does occur in respect of one or more Reference Entities in the basket, the Scheduled Maturity Date of the Securities will not be brought forward unless an Event Determination Date occurs in respect of each of the specified Reference Entities. (See further "What are Basket Credit-linked Securities?" below). In the case of Nth to Default Credit-linked Securities, the Securities will redeem if an Event Determination Date occurs in respect of the "Nth" specified Reference Entity and there is no requirement that all Reference Entities suffer a Credit Event (See further "What are Nth-to-Default Credit-linked Securities?" below).

The maturity date of a Security may be extended in certain cases, for example, if a potential Credit Event has occurred before the Scheduled Maturity Date, and a determination of whether such potential Credit Event will become an actual Credit Event has yet to be made. (See further "In what circumstances might the maturity of the Securities be extended?" below).

#### **What is the Reference CDS?**

Payments on the Securities are determined by reference to the hypothetical credit default swap transaction in respect of one or more Reference Entities (the "**Reference CDS**"). There is no requirement that a real credit default swap is entered into between any parties as a result of the Securities.

The Reference CDS is used solely for the purposes of making determinations under the Securities and determining payments on the Securities and the Issuer or its affiliates may choose in their discretion whether or not to enter into a credit default swap or swaption or other type of instrument to hedge its exposure under the Securities. Accordingly, the Securities do not give rise to any ownership or other interest in any actual credit default swap transaction and Securityholders will not be treated as having any rights to give any notice or require performance of any obligation under the Reference CDS.

The Reference CDS will be documented on the basis of definitions and provisions published by ISDA. Certain terms of the Reference CDS may also be determined by reference to market standard terms if the Specific Terms specifies a "Transaction Type" for such purpose with respect to the relevant Reference Entity. The Specific Terms may also specify any additional terms which apply for the purposes of the Reference CDS, which may be reflective of market standards applicable to a particular Reference Entity or may be specific to the Securities.

The terms of the Reference CDS may be subject to modification in certain circumstances including where a protocol has been published by ISDA to amend the terms of credit default swap transactions. Such amendments may be material to Securityholders and may reduce the amount payable in respect of the Securities. In such case, related modifications may be made to the terms of the Securities without the consent of the Securityholders.

### **What are Single Name Credit-linked Securities?**

Single Name Credit-linked Securities are Securities which are linked to a single Reference Entity. The Reference CDS will relate to one Reference Entity only and payments on the Securities will be dependent on whether a Credit Event occurs in relation to such Reference Entity only.

The Reference Entity Notional Amount will, unless otherwise specified in the Specific Terms, initially be equal to the entire nominal amount of the Securities.

Following the occurrence of a Credit Event and an Event Determination Date with respect to the Reference Entity, the Securities will be subject to redemption in whole. (See further " What are the consequences for the Securities if an Event Determination Date occurs?").

### **What are Nth-to-Default Credit-linked Securities?**

Nth-to-Default Credit-linked Securities are linked to multiple Reference Entities, and Securityholders will be exposed to the creditworthiness of each of those Reference Entities for the entire outstanding nominal amount of the Securities.

As with Single Name Credit-linked Securities, the Reference Entity Notional Amount will, unless otherwise specified in the Specific Terms, initially be equal to the entire nominal amount of the Securities.

Following an Event Determination Date in respect of the "Nth" Reference Entity as specified in the Specific Terms, the Securities will be subject to redemption in whole (for example, where "N" is specified in the Specific Terms as two, the Securities will be redeemed in whole following the occurrence of the second Event Determination Date). (See further " What are the consequences for the Securities if an Event Determination Date occurs?"). Subsequent and any prior Event Determination Dates in relation to other specified Reference Entities will not have an impact on the payout of the Securities.

### **What are Basket Credit-linked Securities?**

Where the Securities are linked to multiple Reference Entities, the Securities may be "Basket Credit-linked Securities". Basket Credit-linked Securities may be linked to a standard basket of Reference Entities compiled by a third party index sponsor (an index). Each Securityholder will be exposed to the creditworthiness of each of the Reference Entities included within the basket. Credit Events and therefore Event Determination Dates may occur with respect to more than one Reference Entity.

Following the occurrence of an Event Determination Date with respect to a Reference Entity within the basket, unless otherwise specified in the Specific Terms, the Securities will be subject to partial redemption. (See further " What are the consequences for the Securities if an Event Determination Date occurs?" below).

Unless redeemed early for reasons (as set out in the General Conditions) other than the occurrence of one or more Event Determination Dates, each Basket Credit-linked Note will remain outstanding until the earlier of the maturity date of the Securities and, following the occurrence of Event Determination Dates in respect of all of the specified Reference Entities in the basket, the last date on which the Credit Event Settlement Amount (as defined below) in respect of an Event Determination Date may be paid.

### **What is a Credit Event?**

A Credit Event is, broadly speaking, an event which is regarded as being indicative of a default or material decline in the creditworthiness of the Reference Entity.

Credit Events are determined by reference to the Reference Entity and/or certain eligible types of obligations of the relevant Reference Entity which may be loans, bonds or other obligations issued directly by the Reference Entity or obligations in respect of which the Reference Entity acts as guarantor ("**Obligations**"). Even where the Specific Terms specifies a Reference Obligation in respect of a Reference Entity, a Credit Event may still be determined with respect to any Obligation of the Reference Entity.

The 2014 Definitions provide for seven Credit Events which at a high level are: (i) bankruptcy or insolvency or similar proceedings occurring with respect to the Reference Entity, (ii) the Reference Entity's failure to pay a specified amount due under an Obligation, (iii) a restructuring of an Obligation owed or guaranteed by the Reference Entity (typically such restructuring must be due to a deterioration in the Reference Entity's financial condition), (iv) an Obligation of a Reference Entity becoming due and payable early because of a default (other than a failure to pay) by the Reference Entity under the terms of that Obligation, (v) an Obligation of a Reference Entity becoming capable of being declared due and payable early

because of a default (other than a failure to pay) by the Reference Entity under the terms of that Obligation, (vi) the repudiation of Obligations of the Reference Entity or a moratorium with respect to Obligations of the Reference Entity and in either case there is a failure to pay or a restructuring within a certain time frame and (vii) in respect of one or more Obligations, one or more of the following events occurs as a result of action taken or an announcement made by a governmental authority pursuant to a restructuring and resolution law or regulation: (a) any event which could affect creditors' rights so as to cause a reduction in interest or principal payable or a postponement or deferral of interest or principal or a change in the ranking of the relevant Obligation; (b) an expropriation or other event which mandatorily changes the beneficial owner of the Obligation; (c) a mandatory cancellation, conversion or exchange in relation to an Obligation; or (d) an event which has an analogous effect. In respect of each issue of Securities, the types of Credit Events which may apply in relation to the specified Reference Entity or Reference Entities will vary depending on the terms applicable to each Reference Entity and may be determined by reference to market standards (including the Transaction Type and related terms in the Physical Settlement Matrix) or as specified in the Specific Terms. (See further "Part 2: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS" below for further details as to the types of events which may constitute Credit Events.)

Prospective investors in Credit-linked Securities should note that not all of the possible Credit Events require an actual default with respect to the obligations of a relevant Reference Entity. Securityholders could bear losses based on deterioration in the credit of any relevant Reference Entity short of a default, subject to the provisions set out in the applicable terms and conditions of the Securities.

#### **When does a Credit Event need to occur to affect the payout on the Securities?**

A Credit Event may occur at any time during the period from and including the "Credit Event Backstop Date" to and including the Scheduled Maturity Date (subject to extension in certain circumstances, see further "In what circumstances might the maturity of the Securities be extended?" below). In particular, investors should note that a Credit Event occurring prior to the Trade Date may result in a Credit Event being triggered under the Securities if Credit Event Backstop Date is applicable since a lookback period of 60 calendar days will apply from the relevant Calculation Agent Notice or Credit Event Resolution Request Date (as applicable). If the Specific Terms specifies that Credit Event Backstop Date is the Trade Date, Credit Events occurring prior to the Trade Date will not be taken into account for the purposes of the Securities.

Unless otherwise specified, the Credit Event Backstop Date is a rolling date which is:

- (a) if a CDDC (see further "What are the Credit Derivatives Determinations Committees and how do they affect the Securities?" below) receives a request to resolve whether or not a Credit Event has occurred in relation to a Reference Entity and the CDDC makes a determination in respect of such request, 60 calendar days prior to the date of such request; or
- (b) otherwise, 60 calendar days prior to the earlier of (i) the first date on which the Calculation Agent delivers a notice, and supporting information, in order to trigger settlement (or partial settlement) of the Reference CDS following a Credit Event; or (ii) if the Calculation Agent delivers such notice during the period from and including the date of the dismissal of a request to resolve whether or not a Credit Event has occurred by the CDDC to and including the date that is fourteen calendar days after such dismissal, the date of the request to the CDDC.

If a Credit Event has occurred during the period from and including the "Credit Event Backstop Date" to and including the Scheduled Maturity Date, then the Notice Delivery Period is the period during which settlement of the credit protection may be triggered. The Notice Delivery Period will commence on the "Trade Date" of the Reference CDS (as specified in the Specific Terms) and will expire on the date that is 14 calendar days after the "Scheduled Termination Date" of the Reference CDS (as specified in the Specific Terms). However, in certain circumstances, the Notice Delivery Period may be extended beyond the 14th calendar day after the Scheduled Termination Date of the Reference CDS.

#### **When can an Event Determination Date occur?**

An Event Determination Date may occur:

- (a) as a result of the publication by the DC Secretary of a resolution by the relevant CDDC that a Credit Event has occurred in relation to that Reference Entity (in which case the Event Determination Date will be the date on which (i) the relevant request was effectively made to the CDDC to resolve whether a Credit Event has occurred; and (ii) the CDDC was in possession of supporting information derived from specified public sources (which may include public news or information sources, the Reference Entity itself, court or other public filings or paying agents, trustees or other intermediaries appointed in respect of obligations of the Reference Entity) that

reasonably confirms the facts relevant to the determination of such Credit Event, in each case as publicly announced by the DC Secretary); or

- (b) in the absence of a resolution of a CDDC, if the Calculation Agent delivers to Securityholders, on behalf of the Issuer, a notice and supporting information derived from specified public sources (which may include public news or information sources, the Reference Entity itself, court or other public filings or paying agents, trustees or other intermediaries appointed in respect of obligations of the Reference Entity) equivalent to the notice and supporting information which a buyer of credit protection under the Reference CDS would be required to deliver, in order to trigger settlement (or partial settlement) of the Reference CDS following a Credit Event.

#### **Can an Event Determination Date only occur if a CDDC determines that one has occurred?**

No. The Calculation Agent may still deliver (or be deemed to deliver) a notice to trigger settlement following a Credit Event even if a CDDC has not resolved that a Credit Event has occurred, as long as a CDDC has not already resolved that a Credit Event has not occurred or is not currently convened to determine such matter.

#### **Can a Credit Event occur prior to the Trade Date?**

Unless the Credit Event Backstop Date is specified as being the Trade Date (or later) in the Specific Terms, the Credit Event Backstop Date may fall before the Trade Date and therefore a Credit Event may occur prior to the Trade Date. The Trade Date of the Reference CDS will be prior to the Issue Date of the Securities.

Securityholders should conduct their own review of any recent developments with respect to a Reference Entity by consulting publicly available information. If a request has been delivered to the relevant CDDC prior to the Trade Date of the Reference CDS to determine whether a Credit Event has occurred with respect to a Reference Entity, details of such request may be found on the CDDC website at [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org) (or any successor website).

#### **In what circumstances might the maturity of the Securities be extended?**

If no Event Determination Date occurs then the Securities are scheduled to redeem on the Scheduled Maturity Date as specified in the Specific Terms.

However, redemption of the Securities may be extended beyond the Scheduled Maturity Date even where no Event Determination Date is ultimately deemed to have occurred if, for example, a resolution of a CDDC as to the occurrence of a Credit Event is pending as at the Scheduled Maturity Date or, pending determination of whether a potential Credit Event which occurred prior to the Scheduled Maturity Date will become an actual Credit Event within a specified period of time after the Scheduled Maturity Date.

Depending on the terms of the Reference CDS, if a potential "Failure to Pay" Credit Event occurs prior to the Scheduled Termination Date of the Reference CDS, and a grace period applies so that the relevant Reference Entity has a period of time in which to cure such potential "Failure to Pay", the Reference CDS may be extended beyond its Scheduled Termination Date, pending a potential cure of such failure to pay within the applicable grace period. (See further "Failure to Pay" in "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS").

Similarly, the Scheduled Termination Date of the Reference CDS may be extended pending an evaluation as to whether a potential "Repudiation/Moratorium" Credit Event which has occurred prior to the Scheduled Termination Date will become an actual "Repudiation/Moratorium" Credit Event. (See further "Repudiation/Moratorium" in "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS").

In such cases the Issuer may extend the maturity of the Securities beyond their Scheduled Maturity Date until the "Extended Maturity Date" of the Securities, which, if no Event Determination Date ultimately occurs, will be a date falling no later than five Business Days after the date on which it is no longer possible for an Event Determination Date to occur.

#### **Does creditworthiness affect the value of the Securities in any other way?**

In addition to the effects of a Credit Event described under "What are the consequences for the Securities if an Event Determination Date occurs?" **Error! Reference source not found.** creditworthiness of the relevant Reference Entities affects the value of a Security in several ways. For example, among other things:

- (a) the market value of a Security may be affected negatively when the probability of, or the market's perception of the probability of, a Credit Event occurring in respect of any specified Reference Entity increases; and
- (b) all payments due under a Security are ultimately subject to the creditworthiness of the Issuer and, as a consequence, the value of the Security may fall if the probability of, or the market's perception of the probability of, a deterioration in credit quality occurring in respect of the Issuer increases.

#### **Are the Securities liquid?**

The Issuer or its affiliates may, but are not required to, maintain a secondary market for the Securities. If a secondary market is provided, pricing will be determined by the Issuer of the Securities, its affiliates or a designated market maker. If a secondary market is provided, the Securities may trade at a discount or premium to par, depending on market conditions and other factors, including but not limited to the performance of the Reference Entity or Entities to which the Securities are linked, interest rates and time to maturity. Even if a Secondary Market in the Securities is provided there is no assurance that it will continue. It is therefore possible that any investor selling Securities in the secondary market may receive a price less than his or her initial investment. Due to the uncertainty surrounding whether or not a secondary market for the Securities may develop or continue, investors should be willing to hold their Securities until maturity.

#### **What are the Credit Derivatives Determinations Committees and how do they affect the Securities?**

The CDDCs were established in March to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency.

Prospective Securityholders should note that a CDDC has the power to make binding decisions for the purposes of the Securities on critical issues, including:

- (a) the occurrence of a Credit Event and Event Determination Date;
- (b) whether one or more Auctions will be held in respect of any Reference Entity for which a Credit Event has occurred;
- (c) if one or more Auctions is to be held, the terms applicable to such Auction and what Deliverable Obligations of the Reference Entity will be eligible for the delivery in settlement of such Auction and thus affect the Auction Final Price; and
- (d) the determination the identity of any "Successors" (see further "Is it possible to change a Reference Entity?" below).

Under the terms of the Securities, Securityholders will be bound by any such relevant decisions and the payments on the Securities and the timing of any such payments may be affected by such decisions or determinations. Questions referred to the CDDC and the results of binding votes will be published on [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org) (or any successor website).

The CDDCs are regional and 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 a particular series of Securities will be 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 the DC Secretary on behalf of ISDA. A copy of such rules is available as at the date of this Prospectus free of charge at [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org).

Each CDDC is composed of (i) up to fifteen voting members; (ii) up to three non-voting consultative members; and (iii) non-voting CCP Members. The voting members will include up to ten dealer institutions, with up to eight serving across all regions and up to two potentially varying by region. Up to five voting members are non-dealer institutions that serve across all regions. It is also possible for non-voting consultative dealer and non-dealer members to be appointed.

As at the date of this Prospectus, Credit Suisse International, which is one of Issuer's affiliates are members of one or more CDDCs. (See further "Part 2: Credit Default Swaps and the Reference CDS" of "Description of the Asset Terms and the Reference CDS" for a more detailed description of the CDDCs).

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

After the Trade Date, the Reference Entity may not be changed unless a "Successor" determination has been made with respect to the Reference Entity as a result of one or more entities succeeding to obligations of the Reference Entity.

An entity can only be a "Successor" if:

(i) the date of the succession occurs on or after the "Successor Backstop Date" (or, in the case of a "Universal Successor", on or after 1 January 2014);

(ii) the Reference Entity has at least one outstanding obligation that qualifies as a Relevant Obligation under the 2014 Definitions immediately prior to the date of the succession and the entity succeeds to all or part of at least one Relevant Obligation;

(iii) in the case of a Reference Entity that is a sovereign, the succession occurs by way of the occurrence of a "Sovereign Succession Event". A **"Sovereign Succession Event"** means, with respect to a Reference Entity that is a sovereign, an annexation, unification, cessation, partition, dissolution, consolidation, reconstitution or other similar event.

A "Universal Successor" means, with respect to a Reference Entity which is not a sovereign, the single entity which assumes all of the obligations (including at least one obligation that qualifies as a Relevant Obligation under the 2014 Definitions) of the Reference Entity and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any borrowed money obligation at any time since the legally effective date of the assumption of the obligations by such entity.

### **What is a "Successor" to the Reference Entity and how can succession affect the Securities?**

If (i) the DC Secretary publicly announces that a CDDC has resolved that a different entity or entities has or have become Successor(s) to the original Reference Entity or (ii) the Calculation Agent under the Reference CDS identifies one or more Successor(s) to the original Reference Entity, then such entity (or each such entity) will be deemed to be a "Successor" to the original Reference Entity.

In order to be a "Successor", an entity must succeed to obligations of the Reference Entity. At a high level, an entity will succeed to the obligations of a Reference Entity where (i) the entity assumes or becomes liable for obligations of the Reference Entity that are bonds or loans; or (ii) the entity issues bonds or incurs loans in exchange for bonds or loans of the original Reference Entity. Such succession may involve a pre-determined series of steps.

The identity of the original Reference Entity will be treated as having been amended accordingly for the purposes of the Securities so that, following the determination or announcement of a "Successor", the Securities will be linked to the Successor(s).

Where "Financial Reference Entity Terms" applies to the Reference CDS, the seniority level of the Reference CDS will be relevant to determining the identity of any Successor. For example, in respect of a Reference CDS that references a senior Reference Obligation, successions to the senior debt of the Reference Entity are relevant to the determination of a Successor. In contrast, in respect of a Reference CDS that references a subordinated Reference Obligation, successions to the subordinated debt of the Reference Entity are relevant to the determination of a Successor.

The risk associated with a Successor or Successors may be different from and could be greater than or lower than the risk associated with the original Reference Entity.

The events which may lead to the determination or announcement of a Successor may occur at any time from and including the "Successor Backstop Date" (or, in the case of a "Universal Successor" on or after 1 January 2014). The Successor Backstop Date is a rolling date which is:

- (a) if a CDDC receives a request to resolve whether or not there is one or more Successors to the Reference Entity, 90 calendar days prior to the date of such request; or
- (b) otherwise, 90 calendar days prior to the earlier of (i) the date on which notice of Successor is delivered by the Calculation Agent; or (ii) in circumstances where a request was made to the CDDC which the CDDC has resolved not to determine and the Calculation Agent delivered a Successor Notice not more than fourteen calendar days after the day the DC Secretary announced such decision, the date of the request to the CDDC.

- (c) If there is more than one Successor to a Reference Entity, the Reference CDS (or that portion of the Reference CDS relating to such Reference Entity) would be divided into a corresponding number of new credit derivative transactions (each a New Reference CDS). In such circumstances, the Securities (or relevant portion of the Securities relating to such Reference Entity) will also be deemed to be split into a number of classes equal to the number of such Successors such that there is a New Reference CDS in respect of each new class of the Securities relating to such Reference Entity.

#### **Can a succession occur prior to the Trade Date?**

Yes. The Successor Backstop Date may be prior to the Trade Date and therefore a succession may occur prior to the Trade Date.

Securityholders should conduct their own review of any recent developments with respect to the Reference Entity by consulting publicly available information. If a request has been delivered to convene a CDDC prior to the Trade Date to determine whether a succession has occurred with respect to the Reference Entity, details of such request may be found on the CDDC website [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org).

#### **Who is the Calculation Agent?**

Credit Suisse International will act as Calculation Agent for the Securities, unless otherwise specified in the Specific Terms.

#### **What is the role of the Issuer and the Calculation Agent in deciding certain issues or exercising certain rights or options in relation to the Securities?**

The Calculation Agent may make certain determinations relating to the Securities, including (but not limited to) the following: (i) in the absence of a determination by the CDDC, whether an Event Determination Date or succession has occurred with respect to a Reference Entity, (ii) the right to determine whether an Auction would apply for the purposes of the Reference CDS and, (iii) where auction settlement does not apply, the right to determine the Credit Event Settlement Amount.

Securityholders 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 Issuer and the Securityholders.

However, Securityholders should note that, where a CDDC has made a determination as to whether an Event Determination Date or succession has occurred, the Calculation Agent shall defer to such determination for the purposes of the Securities.

The Issuer may make exercise certain rights and options that would be exercisable by the protection buyer under the Reference CDS, including the following: (i) in the absence of a resolution by the CDDC, to elect whether to deliver a notice and supporting information on behalf of the Issuer in order to trigger settlement (or partial settlement) of the Reference CDS following the occurrence of a Credit Event; (ii) where CDDC has determined that a Restructuring Credit Event has occurred, to elect whether or not to treat settlement (or partial settlement) of the Reference CDS as having been triggered and whether an Event Determination Date has occurred for the purposes of the Securities; and (iii) following the occurrence of a Restructuring Credit Event, to trigger settlement of the Reference CDS in relation to an amount that is less than the Reference Entity Notional Amount under such Reference CDS. The Calculation Agent must make determinations acting in good faith and in a commercially reasonable manner.

Please see further "Issuer Rights and Options under the Reference CDS" and "Calculation Agent Determinations under the Reference CDS" set out in "Part 2: Credit Default Swaps" for a list of relevant rights, options and determinations.

#### **Will the Securities be rated by any rating agency?**

Unless otherwise specified in the Specific Terms, the Securities will not be rated by any rating agency.

## **SECTION 2: FREQUENTLY ASKED QUESTIONS RELATING TO CREDIT-LINKED NOTES**

#### **What is the difference between a Credit-linked Security and a bond issued by the Issuer?**

A Credit-linked Security issued by the Issuer is similar to a bond issued by the Issuer, in that it will generally provide the investor with a regular stream of interest payments and the return of par on maturity except in

cases of a bankruptcy or other impairment with respect to the Issuer which then means that the amount which an investor will receive will depend on the recovery that is expected following bankruptcy or such impairment. Therefore, in both cases the investor is exposed to the credit risk of the Issuer. However, Credit-linked Securities make payments based on the performance of the Reference CDS, so that, in addition to the credit risk of the Issuer, the investors are also exposed to the creditworthiness of a Reference Entity or a number of Reference Entities (which may be corporate entities, financial entities, or sovereign entities) to which the Notes are linked. The amount of interest and principal which an investor in Credit-linked Notes will receive will depend not only on the credit risk of the Issuer and whether a bankruptcy or default occurs with respect to the Issuer but also on whether certain Credit Events occur with respect to the Reference Entity or Reference Entities to which the Securities are linked (see further "What are Credit-linked Securities?").

#### **Do the Securities redeem at par?**

Except where the Specific Terms expressly states otherwise, each Security will redeem at the cash amount specified in the applicable Specific Terms (which may or may not be par) unless an Event Determination Date has occurred in respect of a Credit Event, in which case the payments due on the Security will be as described in "What are the consequences for the Securities if an Event Determination Date occurs?" below. If one or more Credit Events have occurred and full principal protection applies to the Securities the Securities will redeem at par, even if one or more Credit Events have occurred (see "What are principal protected Securities?" below).

#### **What are principal protected Securities?**

If the Specific Terms states that the Securities states that the Securities are fully principal protected, on final redemption of the Notes, the investor will be entitled to be paid 100 per cent. of the par amount of the Securities even if one or more Credit Events have occurred in respect of the specified Reference Entity or Reference Entities. However, the investor may still suffer a loss of coupon or interest in such case.

#### **What are fixed recovery Securities?**

If the Specific Terms states that fixed recovery applies, the Investor will on final redemption be entitled to receive a specified portion of the par amount of the Securities which would be less than 100 per cent. e.g. if the Specific Terms states that the Securities were subject to fixed recovery of 80 per cent. the investor would receive 80 per cent. of the par amount of the Securities on redemption, even if one or more Credit Events have occurred.

Note that the level of fixed recovery could result in the amount an investor receiving being less than if no fixed recovery applied. For example, if the Specific Terms states that the Securities were subject to fixed recovery of 60 per cent. and, following occurrence of the Credit Event, the Auction Final Price in respect of the Reference Entity is 70 per cent., then investors would have received more had no such fixed recovery applied.

#### **What are zero recovery Securities?**

If the Securities are stipulated in the Specific Terms to be zero recovery, the occurrence of an Event Determination Date will result in a loss of all of the principal of the Securities relating to the affected Reference Entity.

#### **What are leveraged Securities?**

If the Securities are stipulated in the Specific Terms to be leveraged, the loss of principal suffered by investors in the Securities as a result of the occurrence of an Event Determination Date will be multiplied by a specified factor as compared to similar Securities if these were not leveraged.

#### **How does the Reference CDS work in relation to the Securities?**

Under the Reference CDS the Issuer will be the buyer of credit protection and a hypothetical seller will be a seller of credit protection in respect of a specified notional amount of the relevant Reference Entity/Entities (such amount, the "**Reference Entity Notional Amount**"). (See further "What is the Reference Entity Notional Amount?" in SECTION 1 of these FAQs).

#### **What are the consequences for the Securities if an Event Determination Date occurs?**

If an Event Determination Date occurs, the outstanding nominal amount of each Security will be reduced by a pro-rata proportion (relative to the outstanding nominal amount of all Securities) of the Reference

Entity Notional Amount of the Reference Entity in respect of which the Event Determination Date has occurred (or, where the relevant Event Determination Date relates to a Restructuring Credit Event, if the Issuer so elects, part only of such amount (see further "How much will Securityholders receive if the Securities are partially redeemed following a Restructuring?" below)).

In such case, the Credit Event Settlement Amount will be payable on a date that is the later of (i) five Business Days following the Issue Date or (ii) ten Business Days following the date on which the relevant price is determined on the basis of bid quotations.

If an Event Determination Date occurs with respect to Single Name Credit-linked Securities or the Nth Reference Entity in respect of Nth-to-Default Credit-linked Securities, the entire nominal amount of each Security will be reduced to zero and the Securities will be redeemed in whole by payment to the Securityholders of a cash amount (the "**Credit Event Settlement Amount**"). The Credit Event Settlement Amount is likely to be considerably less than the nominal amount of each Security which means that Securityholders will likely suffer a loss of principal.

If an Event Determination Date occurs with respect to Basket Credit-linked Securities, the outstanding nominal amount of each Security will be reduced by a pro rata proportion (relative to the outstanding nominal amount of all Securities) of the Reference Entity Notional Amount of the relevant Reference Entity with respect to which the Event Determination Date has occurred and (unless the Securities are zero recovery Securities) the Securities will be redeemed in part (in the same proportion as such Reference Entity Notional Amount bears to the entire nominal amount) by payment to the Securityholders of the Credit Event Settlement Amount. The Credit Event Settlement Amount is likely to be considerably less than the amount of the reduction in the outstanding nominal amount of the Securities which means that Securityholders will suffer a loss of principal.

In addition, following the occurrence of an Event Determination Date, unless otherwise specified in the Specific Terms, interest will cease to accrue on the amount by which the outstanding nominal amount of the Securities is reduced, with effect from and including the first day of the interest period during which the Event Determination Date occurred (or if the Event Determination Date occurs prior to the Issue Date, the Interest Commencement Date).

If the outstanding nominal amount of a Security is reduced to zero following the occurrence of an Event Determination Date, following payment by the Issuer of the Credit Event Settlement Amount (if any) to each Securityholder, the Issuer will owe no further obligations to the Securityholder in respect of such Security, and such Security will be cancelled.

#### **What is the Reference Entity Notional Amount?**

The amount of credit protection purchased and sold under the Securities and the Reference CDS in relation to any particular Reference Entity is the "**Reference Entity Notional Amount**".

The Reference Entity Notional Amount represents, other than in respect of principal protected securities or securities which have been purchased at a premium or discount, the maximum possible principal loss which an investor in the Securities can incur as a result of the occurrence of a Credit Event affecting any particular Reference Entity to which the Securities are linked.

As further stated above (see "What are principal protected securities?"), if the Securities are stated to be 100 per cent. principal protected in the Specific Terms, the Securities will redeem at par and not suffer a credit loss even if one or more Credit Events have occurred.

The maximum possible loss which an investor in the Securities can incur as a result of the occurrence of a Credit Event with respect to a Reference Entity will be equal to: (i) if the Securities are purchased by an investor at a premium, the Reference Entity Notional Amount plus the amount of such premium and (ii) if the Securities are purchased at a discount, the Reference Entity Notional Amount less the amount of such discount.

#### **What is the Credit Event Settlement Amount?**

The Credit Event Settlement Amount is the cash amount which is payable to each Securityholder on redemption of the Securities following the occurrence of an Event Determination Date (unless the Securities are zero recovery Securities). The Credit Event Settlement Amount will be determined based on the price of certain eligible obligations of the Reference Entity ("**Deliverable Obligations**"), which may be loans, bonds or other obligations issued directly by the Reference Entity or, in certain cases, obligations in respect of which the Reference Entity acts as guarantor (or in certain cases a related asset package), on a specified date following the occurrence of a Credit Event with respect to such Reference Entity. (See

further "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS" of this Prospectus for a description of what may constitute a Deliverable Obligation of a Reference Entity).

The price of such Deliverable Obligations may be determined either by an Auction or, where there is no Auction, on the basis of bid quotations received by the Calculation Agent from third party dealers (or, if no quotations are available, by the Calculation Agent).

If "Break Funding Amount" is specified as applicable in the Specific Terms, in addition to the above, the Credit Event Settlement Amount will also be determined based on an amount, as determined by the Calculation Agent, that represents the cost or benefit to the Issuer of replacing the expected term funding lost as a result of the occurrence of a Credit Event. Such amount will have (i) a negative impact on the Credit Event Settlement Amount if there is a cost to the Issuer; or (ii) a positive impact on the Credit Event Settlement Amount if there is a benefit to the Issuer.

#### **How is the Credit Event Settlement Amount determined if auction settlement applies?**

If the Calculation Agent determines that auction settlement would apply to the Reference CDS, the Credit Event Settlement Amount will be determined by reference to a price determined by way of a credit derivatives auction organised by the relevant CDDC and the related auction administrators (an "**Auction**"). The CDDC will publish a set of auction settlement terms in respect of each Auction. Each Auction will involve participating institutions taking part in a bidding process governed by the applicable auction settlement terms. The Issuer or its affiliates may act as a participating bidder in any such Auction.

One of the purposes of the Auction is to determine the Auction Final Price which will be used to settle credit derivative transactions linked to the relevant Reference Entity.

The price determined through the Auction will depend in part on the identity of the relevant Deliverable Obligations applicable to such Auction (or, in certain cases, a related asset package). The CDDC will publish a list of Deliverable Obligations prior to the Auction being held. Deliverable Obligations will include obligations of the Reference Entity which satisfy (or, in certain cases, which satisfied, prior to the occurrence of particular Credit Events) certain specified "Deliverable Obligation Categories" and "Deliverable Obligation Characteristics" and may include a wide variety of obligations of the relevant Reference Entity, including bonds and loans and guarantee obligations in respect of bonds and loans. The applicable Deliverable Obligation Category and Deliverable Obligation Characteristics will vary from one Reference Entity to another, according to the terms which apply as set out in the Specific Terms. Therefore, the nature of the Deliverable Obligations will also vary. (See further "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS" for a description of the types of obligations which may constitute Deliverable Obligations and of the different Deliverable Obligation Categories and Deliverable Obligations Characteristics).

The Auction involves an actual sale and purchase of Deliverable Obligations amongst participating institutions at the Auction Final Price. As the seller of the Deliverable Obligations is permitted to deliver any Deliverable Obligation in return for payment of the Auction Final Price, the Auction Final Price will in part be reflective of the value of the least valuable Deliverable Obligation on the list of Deliverable Obligations. The Auction Final Price may not simply reflect the prevailing price in the cash market. There could be differences between the prevailing spot price of any of the Deliverable Obligations including the least valuable Deliverable Obligation and the Auction Final Price, which will be impacted by a variety of factors, including the demand created by the Auction itself.

In certain circumstances, an Auction may occur in relation to a package of assets received by a holder of one or more obligations of the Reference Entity in connection with the occurrence of certain events. An asset package may be comprised of one or a combination of financial or non-financial instruments. Where any component of an asset package is a non-financial instrument or a non-transferable instrument, a value may be determined and published by the CDDC in respect of that instrument without the need for an auction process.

Unless principal protection or fixed recovery applies, the Credit Event Settlement Amount payable in respect of a Security will be equal to each Security's pro rata proportion of an amount, subject to a minimum of zero, equal to:

- (a) the Reference Entity Notional Amount in respect of the Reference Entity in respect of which an Event Determination Date has occurred (or, after a Restructuring Credit Event where the terms of the Reference CDS permit the protection buyer to trigger settlement of the Reference CDS in relation to an amount that is less than all of the Notional Amount of the Reference CDS, a portion thereof) of such Reference Entity; less

(b) the product of (i) 100 per cent. minus the Auction Final Price (expressed as a percentage) determined through the Auction, (ii) if applicable, the Leverage Factor and (iii) the Reference Entity Notional Amount (or, in certain circumstances, a portion thereof).

The Auction Final Price is likely to be lower than the par value of the Deliverable Obligations of the Reference Entity as the creditworthiness of the relevant Reference Entity will be one of the factors that drives the pricing in the Auction. Moreover, the Auction Final Price may be driven by the market value of the lowest priced Deliverable Obligations.

The Credit Event Settlement Amount will be payable to Securityholders on the later of (i) the fifth Business Day following the Issue Date or (ii) the tenth Business Days following the date on which the relevant price is determined through the Auction.

There may be multiple Auctions held concurrently, either as required for the purposes of settling credit default swap transactions of varying maturities following a "Restructuring" Credit Event or where separate Auctions are conducted in relation to senior and subordinated obligations of the relevant Reference Entity. In such cases the Calculation Agent will select the Auction which will be relevant for the purposes of the Securities as that which would be relevant for the purposes of the Reference CDS. (See further "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS " of this Prospectus for a description of credit derivatives auctions generally.)

#### **How is the Credit Event Settlement Amount determined if auction settlement does not apply?**

If (and only if) the Calculation Agent determines that there is not and will not be a relevant Auction for the purposes of the Securities in relation to a particular Event Determination Date, then the Credit Event Settlement Amount will be determined on the basis of the bid quotations sought by the Calculation Agent from third party dealers for certain Deliverable Obligations of the relevant Reference Entity (or, as applicable, a related asset package). The Issuer will be entitled to select the least valuable Deliverable Obligation(s) for valuation. This will reduce the Credit Event Settlement Amount payable to Securityholders. (With respect to what constitutes a Deliverable Obligation, see further "Part 3: Terms of the Reference CDS" below). To the extent that an asset package applies to the relevant Deliverable Obligation and the CDDC has published a value in respect of any component of an asset package, such value will apply for purposes of calculating the overall value of the relevant asset package without the requirement to seek quotations in respect of that component of the asset package.

In such case, unless principal protection or fixed recovery applies, the Credit Event Settlement Amount payable in respect of a Security will be equal to each Security's pro rata proportion of an amount equal to:

(a) the Reference Entity Notional Amount in respect of the Reference Entity in respect of which an Event Determination Date has occurred (or, after a Restructuring Credit Event where the terms of the Reference CDS permit the protection buyer to trigger settlement of the Reference CDS in relation to an amount that is less than all of the Notional Amount of the Reference CDS, a portion thereof) of such Reference Entity; less

(b) the product of (i) 100 per cent. minus the price (expressed as a percentage) determined by the Calculation Agent, (ii) if applicable, the Leverage Factor and (iii) the Reference Entity Notional Amount (or, in certain circumstances, a portion thereof).

In such case, the Credit Event Settlement Amount will be payable on a date that is the later of (i) five Business Days following the Issue Date or (ii) ten Business Days following the date on which the relevant price is determined on the basis of bid quotations.

#### **How much will the holders of Credit-linked Notes receive if no Event Determination Date occurs?**

If no Event Determination Date has occurred on or prior to the Scheduled Maturity Date of the Securities and provided that the Securities are not otherwise redeemed, repurchased or cancelled, unless otherwise specified in the Specific Terms, each Security will be redeemed at its outstanding nominal amount on the Scheduled Maturity Date, (or, if the maturity has been extended as described above (see further "In what circumstances might the maturity of the Securities be extended?" above) on the Extended Maturity Date), which in the absence of any Event Determination Dates, will be an amount equal to par.

#### **What interest payments will Securityholders receive?**

If interest is specified to apply in the Specific Terms, Securityholders will receive interest at the applicable interest rate on each "Interest Payment Date" as provided in the General Conditions and Specific Terms (subject to any early redemption of the Securities and subject to the occurrence of an Event Determination Date).

### **How much will Securityholders receive if the Securities are partially redeemed following a Restructuring?**

If a Restructuring Credit Event occurs with respect to the Securities, then, in certain cases, the Issuer may elect to trigger a partial redemption of the Securities. The Issuer has sole discretion to decide whether it would exercise a partial redemption of the Securities.

If the Issuer exercises such right to partially redeem the Securities, the outstanding nominal amount of each Security will be reduced by an amount that is less than the then Reference Entity Notional Amount of the relevant Reference Entity with respect to which the Restructuring Credit Event occurred (such partial amount the "**Exercise Amount**") and each Security will be redeemed in part by an amount equal to (i) its pro-rata proportion of such Exercise Amount less (ii) the product of (x) 100 per cent. minus the price (expressed as a percentage) determined through an Auction or by the Calculation Agent on the basis of bid quotations, as applicable, (y) if applicable, the Leverage Factor and (z) the Exercise Amount.

### **How much will Securityholders receive if no Event Determination Date occurs?**

If no Event Determination Date has occurred on or prior to the Scheduled Maturity Date of the Securities and provided that the Securities are not otherwise redeemed, repurchased or cancelled, unless otherwise specified in the Specific Terms, each Security will be redeemed at its outstanding nominal amount on the Scheduled Maturity Date, (or, if the maturity has been extended as described above (see further "In what circumstances might the maturity of the Securities be extended?" above) on the Extended Maturity Date), which in the absence of any Event Determination Dates, will be an amount equal to par.

### **May Securityholders elect to redeem their Securities early?**

If "Put Option" is specified to apply in the applicable Specific Terms, and the relevant conditions set forth in the General Conditions are satisfied, Securityholders may redeem their Securities prior to the Scheduled Maturity Date in accordance with the terms of the Put Option at the Optional Redemption Amount specified in the Specific Terms. The Issuer and/or the Dealer may, but are not obligated to, purchase the Securities at any time in the open market or by tender or private treaty.

### **When may the Issuer redeem the Securities early other than following the occurrence of an Event Determination Date?**

If "Call Option" is specified to apply in the Specific Terms and the relevant conditions set forth in the General Conditions are satisfied, the Issuer may redeem the Securities prior to the Scheduled Maturity Date in accordance with the terms of the Call Option at the Optional Redemption Amount specified in the Specific Terms. Notwithstanding the previous sentence and unless expressly provided otherwise in the Specific Terms, if an Event Determination Date occurs following notification of an Optional Redemption Date but prior to redemption of the Securities pursuant to such notification, then the relevant notice relating to the Call Option will be deemed to have nil effect and notwithstanding any provisions relating to the Call Option in the General Conditions, the provisions of Asset Term 2 (*Redemption*) shall apply.

If an "Illegality" occurs (as defined in the General Conditions) with respect to the Securities, which includes, for example, a change of law resulting in the Issuer's performance under the Securities becoming unlawful in whole or in part, or in certain circumstances a Reference Rate Event occurs (as defined in the General Conditions) the Issuer may (or in the case of a Reference Rate Event, shall) give notice thereof to the Securityholders and redeem the Securities at their "Early Redemption Amount" (as defined in the Specific Terms).

### **Significant defined terms**

The following are significant defined terms which are used in this Prospectus. These terms are defined and/or described in more detail elsewhere in this Prospectus; see below for relevant cross-references.

**"2014 Definitions"** – see further "Part 2: Credit Default Swaps and the Reference CDS" of "Description of the Asset Terms and the Reference CDS" and Asset Term 1 (*Reference CDS*);

**"Auction"** - see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*);

**"CDDC"** - see further "Part 2: Credit Default Swaps and the Reference CDS" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*);

**"Credit Event"** - see further "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*);

**"Credit Event Settlement Amount"** - see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*);

**"Credit Event Writedown Amount"** - see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*);

**"DC Secretary"** – has the meaning given to such terms in the 2014 Definitions.

**"Deliverable Obligations"** - see further "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS";

**"Event Determination Date"** - see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*);

**"Final Price"** has the meaning given to such term in the 2014 Definitions.

**"Obligations"** - see further "Part 3: Terms of the Reference CDS" of "Description of the Asset Terms and the Reference CDS";

**"Reference CDS"** – see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS" and Asset Term 1 (*The Reference CDS*);

**"Reference Entity"** - see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS"; and

**"Reference Entity Notional Amount"** - see further "Part 1: The Securities" of "Description of the Asset Terms and the Reference CDS" and Asset Term 6 (*Definitions*).

## TAXATION

*This section summarises the Portuguese tax rules applicable to the acquisition, ownership and disposal of the Securities, in force as at the date of this Securities Note. This section does not analyse the tax implications that may indirectly arise from the decision to invest in the Securities, such as those relating to the tax framework of financing obtained to support such investment or those pertaining to the counterparties of the potential investors, regarding any transaction involving the Securities.*

*This section is a general summary of the relevant features of the Portuguese tax system. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to any particular investor, including tax considerations that arise from rules of general application or that are generally assumed to be known to investors. It also does not contain in-depth information about all special and exceptional regimes, which may entail tax consequences at variance with those described herewith.*

*The tax treatment of each type of potential investor described in each sub-section applies exclusively to that type of potential investor. No analogy regarding the tax implications applicable to other type of potential investors should be drawn. Potential investors should seek individual advice about the implications of the acquisition, ownership and disposal of Securities, in light of their specific circumstances.*

*This section does not include any reference to the tax framework applicable in countries other than Portugal. The rules of a Convention to prevent Double Taxation ("**Convention**") may have a bearing on Portuguese tax implications. Furthermore, the domestic provisions of other countries may exacerbate or alleviate such implications.*

*The meaning of the terminology adopted in respect of every technical feature, including the qualification of the securities issued as "bonds", the classification of taxable events, the arrangements for taxation and potential tax benefits, among others, is the one in force in Portugal as at the date of this Securities Note. No other interpretations or meanings, potentially employed in other countries, are considered.*

*The tax framework described in this section is subject to any changes in law and practices (and the interpretation and application thereof) at any moment. Although according to the Portuguese Constitution legislative amendments which increase taxation cannot have retroactive or retrospective effect, there is no general prohibition of amendments with such effect.*

### **Resident individuals**

#### **Investment income**

Economic benefits derived from interest, amortisation, reimbursement premiums and other instances of remuneration arising from the Notes (including, upon a transfer of the Notes, the interest accrued since the last date on which interest was paid), are classified as "investment income" for Portuguese tax purposes.

There is no Portuguese withholding tax applicable on investment income paid by the Issuer in respect of the Notes, unless such payments are made by an entity with its headquarters of effective management in Portugal or acting through a permanent establishment in Portugal to individual tax resident investors, either acting on behalf of or contractually obliged by the Issuer or the investor. If such payments are performed in these circumstances they should attract Personal Income Tax (Imposto sobre o Rendimento das Pessoas Singulares – "**IRS**") at a 28 per cent. withholding tax rate. This represents a final withholding, releasing the investors from the obligation to disclose the above income to the Portuguese tax authorities in their tax returns and from the payment of any additional amount of IRS, unless deriving such income in the capacity of entrepreneur or self-employed professional. Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is identified, in which case the tax rates applicable to such beneficial owner(s) apply.

If the investment income on the Notes is not paid through an entity with its headquarters of effective management in Portugal or acting through a permanent establishment in Portugal, it is not subject to Portuguese withholding tax, the resident individual investors deriving such income must declare it in the income tax return and IRS at a special tax rate of 28 per cent. will apply. Moreover, if the entity paying out the investment income to the investor is resident in a country, territory or region subject to a clearly more favourable tax regime, as listed in the Ministerial Order no. 150/2004, of 13 February, as amended, the withholding tax rate or the special tax rate, as applicable, is increased to 35 per cent.

Irrespective of whether the investment income arising from the Notes has been subject to withholding tax (because it was paid through a Portuguese paying agent) or not, investors may opt for aggregating said income in their tax returns, together with the remaining items of income derived. In that event, instead of the flat 28 per cent. investment income shall be liable for IRS at the rate resulting from the application of the relevant progressive tax brackets for the year in question. The aggregate amount is subject to: (A) IRS at progressive rates of up to 48 per cent.; plus (B) a solidarity tax (taxa adicional de solidariedade) of up to 5 per cent. on income exceeding € 250,000 (2.5 per cent. on income below € 250,000, but exceeding € 80,000). If the investor elects to aggregate the investment income arising from the Notes with the remaining items of income derived, the domestic withholding tax suffered, if any, will represent an advance payment on account of such final IRS liability and foreign withholding tax, if any, may be credited against such final IRS liability within certain limitations.

### ***Capital gains and losses***

Gains obtained with repayment of Notes are qualified as capital gains.

The annual positive balance between capital gains and capital losses arising from the disposal of Notes (and other assets indicated in the law) for consideration, deducted of the costs necessary and effectively incurred in its acquisition and disposal, is taxed at a special 28 per cent. IRS rate. Alternatively, the investors may opt for declaring such income in their tax returns, together with the remaining items of income derived. In that event, the capital gains shall be liable for: (A) IRS at the rate resulting from the application of the relevant progressive tax brackets for the year in question, up to 48 per cent.; plus (B) a solidarity tax (taxa adicional de solidariedade) of up to 5 per cent. on income exceeding € 250,000 (2.5 per cent. on income below € 250,000, but exceeding € 80,000). No Portuguese withholding tax is levied on capital gains.

Losses arising from disposals for consideration in favour of counterparties subject to a clearly more favourable tax regime in the country, territory or region where it is a tax resident, listed in the Ministerial Order no. 150/2004, of 13 February 2004, as amended, are disregarded for purposes of assessing the positive or negative balance referred to in the previous paragraph.

Where the Portuguese resident individual chooses to aggregate the capital gains or losses in his or her tax return together with the remaining items of income, any capital losses which were not offset against capital gains in the relevant tax period may be carried forward for five years and offset future capital gains.

### ***Gratuitous acquisition of Notes***

The gratuitous acquisition (on death or in life) of the Notes by Portuguese tax resident individuals is not liable for Stamp Tax (otherwise due at a 10 per cent. rate) since the Issuer is not a Portuguese tax-resident entity. Spouses, ancestors and descendants would nonetheless avail of an exemption from Stamp Tax on such acquisitions.

### ***Corporate entities***

To the extent that the Issuer of the Notes is a non-Portuguese resident entity, no Portuguese withholding tax on account of the final Corporate Income Tax (Imposto sobre o Rendimento das Pessoas Colectivas – "IRC") liability of Portuguese corporate investors will apply. Investment income, capital gains and positive net variations in worth will be declared and taxed at an IRC rate of 21 per cent. (small and medium-sized enterprises, as defined by law and subject to the de minimis rule of the European Union, avail of a 17 per cent. corporate income tax rate for the first € 25,000 of taxable income), plus a municipal surcharge (derrama municipal) of up to 1.5 per cent. of the taxable profit and a State surcharge (derrama estadual) of 3 per cent. on the portion of the taxable profit between EUR1.5 million and € 7.5 million, of 5 per cent. on the portion of the taxable profits between € 7.5 million and € 35 million and of 9 per cent. on the portion exceeding € 35 million.

Corporate entities recognised as having public interest and charities, pension funds, venture capital funds organised and operating in accordance with Portuguese law and some other similar entities are exempt from IRC.

### ***Common Reporting Standards***

The new regime under Council Directive 2011/16/EU, as amended by Council Directive 2014/107/EU, of 9 December 2014, introduced the automatic exchange of information in the field of taxation concerning bank accounts and is in accordance with the Global Standard released by the Organization for Economic Co-operation and Development in July 2014 (the Common Reporting Standard).

Under Council Directive 2014/107/EU, financial institutions are required to report to the Tax Authorities of their respective Member State (for the exchange of information with the State of Residence) information

regarding bank accounts, including depository and custodial accounts, held by individual persons residing in a different Member State or entities which are controlled by one or more individual persons residing in a different Member State, after having applied the due diligence rules foreseen in the Council Directive. The information refers not only to personal information but also to the account balance at the end of the calendar year, and (i) in case of depository accounts, income paid or credited in the account during the calendar year; or, (ii) in the case of custodial accounts, the total gross amount of interest, dividends and any other income generated, as well as the proceeds from the sale or redemption of the financial assets paid or credited in the account during the calendar year to which the financial institution acted as custodian, broker, nominee, or otherwise as an agent for the account holder, among others.

Portugal has implemented Directive 2011/16/EU through Decree-law 61/2013, of 10 May. Also, Council Directive 2014/107/EU, of 9 December 2014, regarding the mandatory automatic exchange of information in the field of taxation was implemented into Portuguese law through Decree-Law no. 64/2016, of 11 October 2016. In addition, information regarding the registration of financial institutions, as well as the procedures to comply with the reporting obligations arising from Decree-Law no. 64/2016, of 11 October 2016, as amended, and the applicable forms were approved by Ministerial Order (Portaria) no. 302-B/2016, of 2 December 2016, Ministerial Order (Portaria) no. 302-C/2016, of 2 December 2016, Ministerial Order (Portaria) no. 302-D/2016, of 2 December 2016, amended by Ministerial Order (Portaria) no. 255/2017, of 14 August 2017, and Ministerial Order (Portaria) no. 302-E/2016, of 2 December 2016, all as amended.

### **FATCA**

Portugal has implemented, through Law 82-B/2014 of 31 December 2014 and Decree-Law 64/2016 of 11 October 2016, as amended from time to time, the legislation based on the reciprocal exchange of information with the United States of America on financial accounts subject to disclosure (the "Financial Reporting Regime") in order to comply with Sections 1471 through 1474 of FATCA. Under such legislation the Issuer will be required to obtain information regarding certain accountholders and report such information to the Portuguese tax authorities which, in turn, will report such information to the Inland Revenue Service of the United States of America.

## SELLING RESTRICTIONS

### PORTUGAL

The Securities may not be and will not be offered to the public in Portugal or under circumstances which are deemed to be a public offer under the Portuguese Securities Code ("*Código dos Valores Mobiliários*") enacted by Decree-Law no. 486/99 of 13 November 1999, as amended, unless the requirements and provisions applicable to public offerings in Portugal are met and the registration, filing, approval or recognition procedure with the Portuguese Securities Exchange Commission ("*Comissão do Mercado de Valores Mobiliários*", "CMVM") is made.

In particular, the offer of new securities might be made through a private placement ("*oferta particular*"), in accordance with the relevant provisions of the Portuguese Securities Code, exclusively to professional investors ("*investidores profissionais*") within the meaning of Article 30 of the Portuguese Securities Code, and/or to 149 or fewer non-professional investors. No action may be taken as to directly or indirectly offer, advertise, market, invite to subscribe, gather investment intentions, sell, re-sell, re-offer or deliver any of the Securities in circumstances which could qualify as a public offer ("*oferta pública*") of securities pursuant to the Portuguese Securities Code, notably in circumstances which could qualify as a public offer addressed to individuals or entities resident in Portugal or having permanent establishment located in Portuguese territory, as the case may be, unless the above mentioned legal and regulatory requirements are complied with.

No action may be taken to distribute, make available or cause to be distributed this Prospectus in relation thereto or any other offering material relating to the Securities to the public in Portugal, other than in compliance with all applicable provisions of the Portuguese Securities Code, Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (to the extent that it is in full application in Portugal from 21 July 2019 onwards or such later date as the relevant provisions set forth in the Portuguese Securities Code are repealed and replaced by said Regulation), any applicable CMVM regulations and all relevant Portuguese securities laws and regulations, in any such case that may be applicable to it in respect of any offer or sale of Securities in Portugal or to individuals or entities resident in Portugal or having permanent establishment located in Portuguese territory, as the case may be, including the rules and regulations that require the publication of a prospectus, when applicable, and that any placement of the Securities shall only be authorized and performed to the extent that there is full compliance with such laws and regulations.

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

By: \_\_\_\_\_

Duly authorised

## GENERAL INFORMATION

1. **Approval and passporting for the purposes of the Prospectus Regulation:** This Summary and Securities Note accompanied by the Registration Document (which together constitute the Prospectus), has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus, consisting of this Summary and Securities Note and the Registration Document, as meeting the standards of completeness, comprehensibility and consistency imposed under Luxembourg and EU law pursuant to the Prospectus Regulation. By approving the Prospectus, the CSSF gives no undertaking as to the quality or economic and financial soundness of the Securities and quality or solvency of the Issuer in line with the provisions of the Law of 16 July 2019 implementing Regulation 2017/1129/EU of the European Parliament and of the Council on prospectuses for securities (the "**Luxembourg Prospectus Law**"). Such approval should not be considered as an endorsement of the Issuer or the quality of the Securities that are the subject of the Prospectus. Investors should make their own assessment as to the suitability of investing in the Securities.

The Issuer has requested the CSSF to provide the competent authority in Portugal for the purposes of the Prospectus Regulation with a certificate of approval in accordance with Article 25 of the Prospectus Regulation attesting that this document has been drawn up in accordance with the Prospectus Regulation.

2. **Responsibility Statement:** The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, the information contained in this document is in accordance with the facts and makes no omission likely to affect its import.
3. **Consent to use the Prospectus:** The Issuer consents to the use of the Prospectus in connection with the making of an offer of the Securities to the public requiring the prior publication of a prospectus under the Prospectus Regulation (a "**Non-exempt Offer**") (a) by the financial intermediary/ies (each, an "**Authorised Offeror**"), (b) during the offer period, in Portugal and (c) subject to the relevant conditions, in each case as specified herein.

It shall be a condition of such consent that the Prospectus may only be used by the relevant Authorised Offeror(s) to make offers of the relevant Securities in the jurisdiction in which the Non-exempt Offer is to take place, as specified herein, subject to the consent being valid in relation to Luxembourg and each other Member State the competent authority of which has been provided with a certificate of approval by the competent authority in relation to this document under Articles 24 and 25 of the Prospectus Regulation.

The Issuer may (a) give consent to one or more additional Authorised Offerors after the date of this Summary and Securities Note, (b) discontinue or change the offer period, and/or (c) remove or add conditions and, if it does so, such information in relation to the relevant Securities will be published on the website of Credit Suisse (<https://derivative.credit-suisse.com>).

The Issuer accepts responsibility for the content of this document in relation to any person (an "**investor**") purchasing Securities pursuant to a Non-exempt Offer where the offer to the Investor is made (a) by an Authorised Offeror (or the Issuer or the Dealer), (b) in a Member State for which the Issuer has given its consent, (c) during the offer period for which the consent is given and (d) in compliance with the other conditions attached to the giving of the consent. 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.

Other than in accordance with the terms set forth in the paragraph above, the Issuer has not authorised (and nor has the Dealer) the making of any Non-exempt Offers of the Securities or the use of this document by any person. No financial intermediary or any other person is permitted to use this document in connection with any offer of the Securities in any other circumstances. Any such offers are not made on behalf of the Issuer (or the Dealer) and neither the Issuer nor the Dealer has any responsibility or liability to any investor purchasing Securities pursuant to such offer or for the actions of any person making such offer.

**Investors intending to purchase Securities from an Authorised Offeror will do so, and such offer and sale will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and the investor, including as to price and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, this document does not contain any information relating to such arrangements. The terms and conditions of such offer should be provided to the investor by that Authorised Offeror at the time the offer is made. Neither the Issuer nor any Dealer has any responsibility or liability for such information provided by that Authorised Offeror.**

**Each Authorised Offeror will be required to publish on its website notice that it is using the Prospectus in accordance with the consent and conditions stated above.**

4. **Listing and admission to trading:** Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from, at the earliest, the Issue Date. There can be no assurance that any such listing will be obtained, or if obtained, will be maintained. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on Markets in Financial Instruments (as amended, varied or replaced from time to time).
5. **Taxation:** The level and basis of taxation on the Securities and on the Securityholders and any reliefs from such taxation depend on the Securityholder's individual circumstances and could change at any time and may have an impact on the return received by the Securityholder.

The tax and regulatory characterisation of the Securities may change over the life of the Securities. Investors will therefore need to obtain advice from their own tax advisers to determine the specific tax consequences of the purchase, ownership, transfer and redemption, exercise or expiry or enforcement of the Securities.

6. **Consents and approvals:** The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue of the Securities. The issue of the Securities will be in accordance with the Organizational Guidelines and Regulations of Credit Suisse Group AG and the Issuer. No specific resolution of the Board of Directors of the Issuer is required.
7. **Public offer of Securities:** The Securities will be offered to retail investors in Portugal.
8. **Programme contractual documents available:** So long as any relevant Security remains outstanding, copies of the agency agreement and deeds of covenant of the Programme will be available for inspection free of charge during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the specified offices of the Paying Agent.
9. **Programme offering document available:** Copies of this Prospectus (including any supplement to this Prospectus, the Registration Document and any supplement to the Registration Document) and the CS Put and Call Securities Note (including any supplement to the CS Put and Call Securities Note) and the documents incorporated by reference in this Prospectus or the Registration Document are available:
  - (a) in the case of this Prospectus, on the website of Credit Suisse (<https://derivative.credit-suisse.com>) by selecting "Final Terms and Securities Notes" under "Issuance Program / Base Prospectuses"; and
  - (b) in the case of the Registration Document and the CS Put and Call Securities Note, on the website of Credit Suisse (<https://derivative.credit-suisse.com>) by selecting "Put and Call Securities" under "Issuance Program / Base Prospectuses".
10. **Clearing:** The Securities will be accepted for clearance through Clearstream Banking, société anonyme/Euroclear Bank S.A./N.V (1 Boulevard du Roi Albert II, B-121- Brussels, Belgium (which are the entities in charge of keeping the relevant records) (42 Avenue John F. Kennedy, L-1855 Luxembourg).
11. **Withdrawal rights:** If the Issuer publishes a supplement to the Prospectus pursuant to Article 23 of the Prospectus Regulation which relates to the Issuer or the Securities, investors who have already agreed to purchase Securities before the supplement is published shall have the right to withdraw their acceptances by informing the Distributor in writing within 3 working days (or such other longer period as may mandatorily apply in the relevant country) of publication of the supplement, provided that the significant new factor, material mistake or material inaccuracy which is the subject of such supplement arose or was noted before the closing of the Offer Period or the delivery of the Securities, whichever occurs first. The terms and conditions of the Securities and the terms on which they are offered and issued will be subject to the provisions of any such supplement.
12. **Information on websites:** Other than in relation to documents which are incorporated by reference herein (see "Documents Incorporated by Reference" in this Prospectus), no content of any website, cited or referred to in this Prospectus, shall be deemed to form part of, or be incorporated by reference into, this Prospectus, nor has any such content been scrutinised or approved by the CSSF.

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