

Indicative Terms and Conditions as at 17<sup>th</sup> January 2012

## 4Y 11M USD 14.40% p.a Autocallable on Companhia Siderurgica Nacional SA ADR, Vale SA ADR, Banco Bradesco SA ADR

**NOT FOR DISTRIBUTION OR SALE IN THE UNITED STATES OR TO U.S. PERSONS  
PLEASE CAREFULLY READ THE DISCLAIMER AND RISK FACTORS ABOVE  
AN INVESTMENT IN THE SECURITIES PUTS YOUR CAPITAL AT RISK**

The Securities do not constitute a participation in a collective investment scheme in the meaning of the Federal Act on Collective Investment Schemes and are not subject to authorization by the Swiss Financial Market Supervisory Authority FINMA thereunder. Accordingly, neither the Securities nor holders of the Securities benefit from protection under the Federal Act on Collective Investment Schemes or supervision by the Swiss Financial Market Supervisory Authority FINMA and investors are exposed to the credit risk of the Issuer and the Guarantor.

This document is of a summary nature only and contains indicative terms and conditions only. The Prospectus with the complete and legally binding terms and conditions can be obtained electronically or physically at the offices of the Dealer, 2 Triton Square, Regent's Place, London, NW1 3AN, as from the Issue Date.

The Securities can only be offered to Qualified Investors according to art. 10 Para. 3 of the Federal Act on Collective Investment Schemes ("CISA"). Please refer to the full selling restrictions on page 5. This material is personal to each offeree and may only be used by those persons to whom it has been handed out.

This document is for distribution and use in Switzerland and may not comply with any laws or regulations of any other jurisdiction.

This document does not constitute a prospectus within the meaning of the EU Prospectus Directive and it may not be used for purposes of, or in connection with, an offering of Securities to the public (as such term is understood under the EU Prospectus Directive) in any member state of the European Economic Area.

Please see important information at the end of this document in the section "Important Risks"

### 1. MAIN CHARACTERISTICS

#### Product Categorisation

Yield Enhancement  
SVSP / EUSIPA Category 1260: Express Certificates

#### Product Description

The Express Certificate is a product that offers the investor a coupon every interest period if the Worst-Performing Underlying<sup>1</sup> is equal to or greater than its Barrier Price<sup>1</sup>. The product can be redeemed early at any annual Observation Date<sup>n</sup>, if the Worst-Performing Underlying<sup>1</sup> is equal to or greater than its Initial Fixing Price<sup>1</sup>.

If the product has not been redeemed early, it allows redemption at 100% as long as no Barrier Event has occurred.

If a Barrier Event has occurred, the investor's capital will be reduced by the negative performance of the Worst-Performing Underlying<sup>1</sup>.

#### Security Codes

Valoren	ISIN Code	Common Code	Series no.	Reuters RIC
14795477	XS0736417212	073641721	575	ISIN=SGBM

#### Issuer Information

Issuer	Abbey National Treasury Services plc ("ANTS"), London, England
Guarantor	Santander UK plc, London, England
Guarantor's Rating	AA- (S&P) / A1 (Moody's) / A+ (Fitch)
Securities Rating	The Securities shall not be individually rated.

#### Underlying and Barrier Information

Underlying <sup>i</sup>	i	Boomberg Code	Initial Fixing Price <sup>1</sup>	Strike Price <sup>1</sup>	Barrier Price <sup>1</sup>
Companhia Siderurgica Nacional SA ADR	1	SID UN	14.1983	14.1983	9.9351
Vale SA ADR	2	VALE UN	35.5776	35.5776	24.9043

<b>Banco Bradesco SA ADR</b>	3	BBD UN	18.7984	18.7984	13.1588
		<b>ISIN</b>	<b>Relevant Exchange</b>	<b>Website</b>	
<b>Companhia Siderurgica Nacional SA ADR</b>	1	US20440W1053	NYSE	www.csn.com.br	
<b>Vale SA ADR</b>	2	US91912E1055	NYSE	www.vale.com	
<b>Banco Bradesco SA ADR</b>	3	US0594603039	NYSE	www.bradesco.com.br	
<b>Initial Fixing Price<sub>i</sub></b>	(See table above).				
<b>Final Fixing Price<sub>i</sub></b>	The official Closing Price of Underlying <sub>i</sub> on the Relevant Exchange on the Final Fixing Date.				
<b>Barrier Period</b>	Final Fixing Date.				
<b>Barrier Valuation Time</b>	At the closing on Final Fixing Date (in fine barrier).				
<b>Barrier Event</b>	A Barrier Event shall be deemed to occur if, at any Barrier Valuation Time, at least one Underlying is observed at a level less than its respective Barrier Price <sup>1</sup> .				

**Dates**

<b>Trade Date</b>	17 <sup>th</sup> January 2012			
<b>Issue Date</b>	31 <sup>st</sup> January 2012			
<b>Final Fixing Date</b>	7 <sup>th</sup> December 2015			
<b>Maturity Date</b>	21 <sup>st</sup> December 2015			
<b>Relevant Dates</b>	<b>n</b>	<b>Observation Date<sub>n</sub></b>	<b>Coupon Payment Date<sub>n</sub></b>	<b>Early Redemption Date<sub>n</sub></b>
	1	7 <sup>th</sup> February 2012	21 <sup>st</sup> February 2012	21 <sup>st</sup> February 2012
	2	7 <sup>th</sup> March 2012	21 <sup>st</sup> March 2012	21 <sup>st</sup> March 2012
	3	9 <sup>th</sup> April 2012	23 <sup>rd</sup> April 2012	23 <sup>rd</sup> April 2012
	4	7 <sup>th</sup> May 2012	21 <sup>st</sup> May 2012	21 <sup>st</sup> May 2012
	5	7 <sup>th</sup> June 2012	21 <sup>st</sup> June 2012	21 <sup>st</sup> June 2012
	6	9 <sup>th</sup> July 2012	23 <sup>rd</sup> July 2012	23 <sup>rd</sup> July 2012
	7	7 <sup>th</sup> August 2012	21 <sup>st</sup> August 2012	21 <sup>st</sup> August 2012
	8	7 <sup>th</sup> September 2012	21 <sup>st</sup> September 2012	21 <sup>st</sup> September 2012
	9	9 <sup>th</sup> October 2012	22 <sup>nd</sup> October 2012	22 <sup>nd</sup> October 2012
	10	7 <sup>th</sup> November 2012	21 <sup>st</sup> November 2012	21 <sup>st</sup> November 2012
	11	7 <sup>th</sup> December 2012	21 <sup>st</sup> December 2012	21 <sup>st</sup> December 2012
	12	7 <sup>th</sup> January 2013	22 <sup>nd</sup> January 2013	22 <sup>nd</sup> January 2013
	13	7 <sup>th</sup> February 2013	21 <sup>st</sup> February 2013	21 <sup>st</sup> February 2013
	14	7 <sup>th</sup> March 2013	21 <sup>st</sup> March 2013	21 <sup>st</sup> March 2013
	15	8 <sup>h</sup> April 2013	22 <sup>nd</sup> April 2013	22 <sup>nd</sup> April 2013
	16	7 <sup>th</sup> May 2013	21 <sup>st</sup> May 2013	21 <sup>st</sup> May 2013
	17	7 <sup>th</sup> June 2013	21 <sup>st</sup> June 2013	21 <sup>st</sup> June 2013
	18	8 <sup>th</sup> July 2013	22 <sup>nd</sup> July 2013	22 <sup>nd</sup> July 2013
	19	7 <sup>th</sup> August 2013	21 <sup>st</sup> August 2013	21 <sup>st</sup> August 2013
	20	9 <sup>th</sup> September 2013	23 <sup>rd</sup> September 2013	23 <sup>rd</sup> September 2013
	21	7 <sup>th</sup> October 2013	21 <sup>st</sup> October 2013	21 <sup>st</sup> October 2013
	22	7 <sup>th</sup> November 2013	21 <sup>st</sup> November 2013	21 <sup>st</sup> November 2013
	23	9 <sup>th</sup> December 2013	23 <sup>rd</sup> December 2013	23 <sup>rd</sup> December 2013
	24	7 <sup>th</sup> January 2014	21 <sup>st</sup> January 2014	21 <sup>st</sup> January 2014
	25	7 <sup>th</sup> February 2014	21 <sup>st</sup> February 2014	21 <sup>st</sup> February 2014
	26	7 <sup>th</sup> March 2014	21 <sup>st</sup> March 2014	21 <sup>st</sup> March 2014
	27	7 <sup>th</sup> April 2014	21 <sup>st</sup> April 2014	21 <sup>st</sup> April 2014
	28	7 <sup>th</sup> May 2014	21 <sup>st</sup> May 2014	21 <sup>st</sup> May 2014
	29	9 <sup>th</sup> June 2014	23 <sup>rd</sup> June 2014	23 <sup>rd</sup> June 2014
	30	7 <sup>th</sup> July 2014	21 <sup>st</sup> July 2014	21 <sup>st</sup> July 2014

31	7 <sup>th</sup> August 2014	21 <sup>st</sup> August 2014	21 <sup>st</sup> August 2014
32	8 <sup>th</sup> September 2014	22 <sup>nd</sup> September 2014	22 <sup>nd</sup> September 2014
33	7 <sup>th</sup> October 2014	21 <sup>st</sup> October 2014	21 <sup>st</sup> October 2014
34	7 <sup>th</sup> November 2014	21 <sup>st</sup> November 2014	21 <sup>st</sup> November 2014
35	8 <sup>th</sup> December 2014	22 <sup>nd</sup> December 2014	22 <sup>nd</sup> December 2014
36	7 <sup>th</sup> January 2015	21 <sup>st</sup> January 2015	21 <sup>st</sup> January 2015
37	9 <sup>th</sup> February 2015	23 <sup>rd</sup> February 2015	23 <sup>rd</sup> February 2015
38	9 <sup>th</sup> March 2015	23 <sup>rd</sup> March 2015	23 <sup>rd</sup> March 2015
39	7 <sup>th</sup> April 2015	21 <sup>st</sup> April 2015	21 <sup>st</sup> April 2015
40	7 <sup>th</sup> May 2015	21 <sup>st</sup> May 2015	21 <sup>st</sup> May 2015
41	8 <sup>th</sup> June 2015	22 <sup>nd</sup> June 2015	22 <sup>nd</sup> June 2015
42	7 <sup>th</sup> July 2015	21 <sup>st</sup> July 2015	21 <sup>st</sup> July 2015
43	7 <sup>th</sup> August 2015	21 <sup>st</sup> August 2015	21 <sup>st</sup> August 2015
44	8 <sup>th</sup> September 2015	21 <sup>st</sup> September 2015	21 <sup>st</sup> September 2015
45	7 <sup>th</sup> October 2015	21 <sup>st</sup> October 2015	21 <sup>st</sup> October 2015
46	9 <sup>th</sup> November 2015	23 <sup>rd</sup> November 2015	23 <sup>rd</sup> November 2015
47	7 <sup>th</sup> December 2015	Maturity Date	

### General Terms

<b>Status</b>	Senior, unsecured
<b>Dealer</b>	Abbey National Treasury Services plc, London, England
<b>Calculation Agent</b>	Abbey National Treasury Services plc, London, England, or any duly appointed successor
<b>Paying Agent</b>	Citibank, N.A., London, England
<b>Currency</b>	USD
<b>Issue Size</b>	USD 1,000,000, subject to increase
<b>Number of Securities</b>	1,000, subject to increase
<b>Denomination</b>	USD 1,000
<b>Minimum Trading Size</b>	USD 1,000
<b>Issue Price</b>	100.00%

### Coupons

<b>Coupons</b>	<p>Subject to Early Redemption.</p> <p>If, on Observation Date<sub>n</sub> (n from 1 to 47) the official Closing Price of Worst-Performing Underlying<sup>i</sup> is equal to or greater than its Barrier Price<sup>i</sup> then a Coupon will be paid on Coupon Payment Date<sub>n</sub> or on the Maturity Date, in accordance with the following:</p> <p>Denomination x 1.20%</p> <p>Otherwise, no Coupon will be paid.</p> <p>For the avoidance of doubt, if the Issuer elects to redeem the Securities early (in accordance with the Early Redemption provisions below), no coupon payment will be made on any Coupon Payment Date<sub>n</sub> thereafter.</p>
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### Early Redemption

<b>Early Redemption Amount</b>	<p>If, on Observation Date<sub>n</sub> (n from 1 to 46) the official Closing Price of the Worst-Performing Underlying<sup>i</sup> is equal to or greater than its Initial Fixing Price<sup>i</sup> then each Security shall redeem on Early Redemption Date<sub>n</sub>, in accordance with the following.</p> <p>The holder will receive on the Early Redemption Date<sub>n</sub> an Early Redemption Amount in USD:</p> <p>Denomination x 100%</p>
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### Redemption

<b>Final Redemption Amount</b>	On the Maturity Date, the Issuer shall redeem the Securities for the Final Redemption Amount in USD, calculated in accordance with the following:
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1) If a Barrier Event has not occurred, the holder will receive on the Maturity Date an amount per Denomination equal to:

Denomination x 100%

2) If a Barrier Event has occurred, the holder will receive on the Maturity Date an amount per Denomination equal to:

Denomination x [100% + (WO Share<sup>i</sup><sub>Final</sub> – WO Share<sup>i</sup><sub>Initial</sub>) / WO Share<sup>i</sup><sub>Initial</sub>]

**Where:** WO Share<sup>i</sup><sub>Initial</sub> is the Initial Fixing Price<sup>i</sup> of the Worst-Performing Underlying<sup>i</sup>.

WO Share<sup>i</sup><sub>Final</sub> is the official Closing Price on the Relevant Exchange of the Worst-Performing Underlying<sup>i</sup> on the Final Fixing Date.

The Worst-Performing Underlying<sup>i</sup> is the Underlying<sup>i</sup> with the worst performance:

$\text{Min}_{(i=1 \text{ to } 3)} (\text{Final Fixing Price}^i / \text{Initial Fixing Price}^i)$

For a detailed explanation of the Final Redemption Amount, including calculation examples, investors may contact the Issuer at 2 Triton Square, Regent's Place, London NW1 3AN.

General Information	
<b>Clearing / Settlement</b>	Euroclear / Euroclear Account 90281
<b>Redemption of Securities</b>	Cash settlement
<b>Settlement on Issue Date</b>	Delivery versus payment
<b>Form of Securities</b>	Bearer Global Securities
<b>Business Days</b>	New York & London
<b>Payment Days</b>	New York & London
<b>Business Day Convention</b>	Following Business Day Convention
<b>Day Count Fraction</b>	30/360, unadjusted
<b>Secondary Market</b>	Under normal market conditions, the Dealer ensures the secondary market on a daily basis, during the life of the product, with a maximum bid-offer spread of 1.0%.
<b>Quoting Price</b>	Secondary market prices are quoted clean; accrued interest is not included in the price.
<b>Listing</b>	London Stock Exchange. The Securities will not be listed on SIX Swiss Exchange and not traded on Scoach Switzerland.
<b>TEFRA</b>	D Rules
<b>Documentation</b>	To be documented under the Issuer's €10,000,000,000 Structured Note Programme dated 12 April 2011 (the " <b>Programme</b> ")
<b>Securities</b>	<b>English Law / English courts</b>
<b>Guarantee</b>	<b>English Law / English courts</b>
<b>Fee</b>	In connection with the offer and sale of the Securities, the distributor will acquire the Securities from ANTS at a discount to the Issue Price or at the Issue Price. If the distributor acquires the Securities at the Issue Price, ANTS might pay to the distributor a distribution fee. Such amounts received by the distributor may be in addition to the brokerage cost/fee normally applied by the distributor. The purchaser acknowledges that such distribution fee may be retained by the distributor. Further information is available from the distributor on request.
<b>Sales Contact</b>	Francois-Xavier Desplanches Tel: +44(0) 207 756 6859 Email: francois-xavier.desplanches@santandergbm.com

Tax Information	
<b>Swiss Federal Stamp Duty</b>	The Securities are not subject to Swiss stamp duty at issuance (primary market). Secondary market transactions are subject to Swiss stamp duty.
<b>Swiss Federal Income Tax</b>	Swiss resident private investors holding a Note from issuance throughout ordinary redemption receive taxable interest equal to the difference between the Denomination converted into CHF at the exchange rate at redemption minus the Bond Floor converted into CHF at the exchange rate at issuance. Swiss resident private investors purchasing a Note after issuance or selling it before redemption receive taxable interest over the difference between the value of the bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into CHF at the exchange rate at the time of redemption or sale, issuance or purchase, respectively (modified differential taxation method; <i>Modifizierte Differenzbesteuerung</i> ). Any additional return on the Notes is a tax-free private capital gain on the option(s).
<b>Bond Floor</b>	USD 946.30 (ref rate: 94.63%)
<b>Swiss Withholding Tax</b>	The Securities are not subject to the Swiss withholding tax.

**EU Savings Tax**

For Swiss paying agents, interest payments on the Securities are not subject to the EU savings tax (TK7).

The tax information only provides a general overview of the potential tax consequences linked to the Securities at the time of issue and is not intended to be, nor should it be construed to be, tax advice. No representation as to the tax consequences to any particular person is made hereby. All investors are advised to consult their own tax adviser in light of their particular circumstances as to the tax consequences of the Securities. Tax laws and tax doctrine may change, possibly with retroactive effect.

**2. PROFITS AND LOSS PROSPECTS**

For a brief description of the Securities please see "Product Description" above.

**Profits and Losses**

**Market Expectation**

The Express Certificate is a product for investors who expect the Worst-Performing Underlying to increase slightly or remain at current levels.

**Profit Potential**

The prospective profit is limited to the coupon payments.

**Loss Potential**

The downside risk of a Express Certificate is similar to an investment in the Worst-Performing Underlying in that the investor could lose his total investment if the Worst-Performing Underlying value falls to zero.

**Profits and Losses Range**

Equity returns can be highly volatile. Investors should be able to tolerate significant fluctuations. Moreover a high coupon can indicate a higher risk, in that the rate of the coupon relative to the risk-free return indicates the overall risk of the product.

**3. IMPORTANT RISKS**

**Risk Factors**

**Risks relating to the Issuer and the Guarantor**

The Issuer is a licensed bank incorporated as a public limited company in England and Wales and is regulated by the Financial Services Authority.

The Guarantor is a licensed bank incorporated as a public limited company in England and Wales and is regulated by the Financial Services Authority.

Investors are exposed to the default risk of the Issuer and the Guarantor.

The value of the Securities is not only subject to the performance of the Underlying, but among others also to the creditworthiness of the Issuer and the Guarantor, which may vary over the term of the Securities.

Any real or anticipated changes in the Guarantor's credit ratings may affect the trading value of the Securities. The indicated credit ratings of the Guarantor are correct as at the Trade Date. Credit ratings reflect the independent opinion of the relevant rating agencies as to the safety of payments of principal and interest. Credit ratings are not a guarantee of credit quality. The Issuer does not have a credit rating.

The Issuer of the Securities may be substituted without the consent of the holders of Securities.

The Securities represent general contractual unsecured, unsubordinated obligations of the Issuer and are ranking pari passu with all other unsecured unsubordinated obligations of the Issuer, save for obligations preferred by operation of law..

**Product Specific Risks**

An investment in the Securities involves a high degree of risk, which may includes principal, interest rate, index, currency, credit, political, liquidity, time value, commodity and market risk and is not suitable for all investors.

The Securities are not capital-protected, and investors must be prepared to sustain a loss of their entire investment in the Securities and prospective profit is limited to the coupon payments.

The Final Redemption Amount is variable and dependants upon certain factors which include the performance of the Underlying. The past performance of the Underlying is not indicative of future performance. Changes in the price of the Underlying may result in sudden and large fluctuations in the value of the Securities.

In case a Barrier Event occurs, the downside risk of an Express Certificate is similar to an investment in the Worst-Performing Underlying with the limitation that investors are not in a position to benefit from any price increase of the Worst-Performing Underlying which may occur after the Final Fixing Date.

Investors are not entitled to receive any dividends paid on any of the Underlyings and the terms and conditions of the Securities will only be adjusted for distributions and other corporate actions relating to the Underlyings in certain limited circumstances.

The prices of Underlying may vary over time and may increase or decrease by reference to a variety of factors, which may include, but are not limited to, corporate actions and macro economic factors. This fact as well as the fact that there is more than one Underlying significantly increases the risk (i) that a Barrier Event occurs and that the Underlying closes below its Strike Level on the Final Fixing Date, and (ii) that at the Maturity Date investors will receive a cash amount linked to the performance of the Underlying, the market value of which at the time of redemption may be

significantly below the price of such Underlying on the Initial Fixing Date. make a loss on their investment in the Securities.

The Calculation Agent has broad discretionary powers which may not take into account the interest of the holders of Securities.

The Calculation Agent may adjust the terms of the Securities in the case of a disruption event, adjustment event and/or such other similar adjustment or extraordinary event (as set out in the Final Terms and the Programme). Such adjustment may have an adverse impact on the value of the Securities. Any such discretion exercised by, or any calculation made by the Calculation Agent (in the absence of manifest error) shall be binding.

Investors must not expect a trading market for the Securities to develop. The limited trading market for the Securities may affect the price that investors receive for their Securities if they do not wish to hold the Securities until maturity. Accordingly, the purchase of the Securities is suitable only for, and should only be made by, investors who are prepared to hold the Securities until maturity, and who can understand and bear the financial and other risks of such an investment throughout this period of time. The price that investors may receive for Securities in the secondary market before maturity will be affected by many factors including, but not limited to, the remaining time to the Maturity Date, the performance of the Underlyings and interest rates..

In addition to the product-specific risk factors highlighted above, investors are exposed to risks relating to the Underlyings. Investors should be familiar with investments in the global capital market and with derivatives and the Underlying generally. Investors must independently inform themselves about these risks. Investors should consult their advisers if in any doubt as to the nature of the investment and its suitability in light of their particular circumstances.

For further information on product specific risk factors reference is made to the Issuer's Programme, in particular the consideration set forth therein under "Risk Factors".

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## Special Considerations for Investors

### General disclaimer

*The description of special considerations and risks contained herein does not purport to be exhaustive. Abbey National Treasury Services plc and its affiliates disclaim any responsibility to advise prospective investors of such risks as they exist at the date of this document or as amended from time to time. Prospective investors should understand the risks involved and should reach an investment decision after careful consideration with their tax, accounting and legal advisers of the suitability of the Securities in light of their particular financial circumstances and financial objectives. The information and explanations relating to the terms and investment in the Securities may not be suitable for all investors. The Issuer reserves the right not to issue the Securities in its sole discretion.*

*A prospective investor should consider a purchase of Securities in relation to criteria specified below as against his or her overall portfolio, line of business and financial hedging or risk management objectives.*

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The terms and information contained in this document will not be updated. **This document contains terms and information which are of an indicative nature and subject to change, amendment and completion and are not legally binding. All materials herein are for discussion purposes only and it is not intended to set forth the definitive terms of any transaction. The complete and legally binding terms and conditions of the Securities are set forth in the €10,000,000,000 Structured Note Programme (the Programme) of Abbey National Treasury Services plc (the Issuer or ANTS), as supplemented from time to time, and the relevant Final Terms prepared in relation to the Securities (the Final Terms) (together the Offering Prospectus). A copy of the executed Final Terms, the Programme and any supplement will be made available upon request from Abbey National Treasury Services plc., at its registered office at 2 Triton Square, Regent's Place, London, NW1 3AN.**

Investors should carefully consider the information contained in, and evaluation of the Securities should be made on the basis of, the Programme and, when available, the relevant Final Terms. In the event of any inconsistency between this document and the Prospectus, the Prospectus prevails.

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### Private information and no offer to sell or solicitation to purchase

This communication is furnished at the request of the recipient for the exclusive purpose of identifying the security or other instrument referred to herein. It is furnished for your private information with the express understanding, which the recipient acknowledges, that it does not constitute an offer to sell or solicitation to purchase any securities and neither Banco Santander, S.A. nor any of its affiliates are soliciting any action based on it. Certain transactions may give rise to substantial risks and are not suitable for all investors. This document and its contents are proprietary information and are strictly private and confidential. Santander Global Banking & Markets is a brand name used by Abbey National Treasury Services plc. Registered Office: 2 Triton Square, Regent's Place, London, NW1 3AN. Reg. No. 2338548. Registered in England. Authorised and regulated by the Financial Services Authority (FSA Registration Number 145003) and a member of The London Stock Exchange. Santander and the flame logo are registered trademarks.

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### Issue Price

The Issue Price in respect of the Securities may not be an accurate reflection of the market value of such Securities as at the Issue Date. The price at which the Securities may be sold in secondary market transactions may be lower than the Issue Price. In particular, the Issue Price in respect of the Securities may take into account, amongst other things, the distribution fee payable to any appointed distributor of the Securities with respect to the offer and sale of the Securities.

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### No investigation or recommendation

No investigation or review of the Underlying or a component security of the Underlying (each a "Component Security"), including without limitation, any public filings made in relation to the Underlying or Component Securities have been made for the purposes of forming a view as to the merits of an investment linked to the Underlying. Nor is any guarantee or express or implied warranty made in respect of the selection of the Underlying or is any assurance or guarantee given as to the performance of the Underlying. Investors should not conclude that the sale by the Issuer of the Securities is any form of investment recommendation by it or any of its affiliates.

Prospective purchasers of the Securities should consult their own business, financial, investment, legal, accounting, regulatory, tax and other professional advisers to assist them in determining the suitability of the Securities for them as an investment.

**There may be potential conflicts of interests as the Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries may be acting in other capacities in relation to the Securities**

The Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries may, from time to time, engage in purchase, sale or other transactions involving the Underlying or a component security of the Underlying (each a "Component Security") or related derivatives for their proprietary accounts and/or for accounts under their management and/or for clients. Such transactions may have a positive or negative effect on the level of the Underlying and consequently on the value of the Securities. In addition, the Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries may, from time to time, act in other capacities with regard to the Securities (such as in an agency capacity and/or as the calculation agent) and may issue or participate in the issue of other competing financial instruments in respect of the Underlying or Component Securities and the introduction of such competing financial instruments may affect the value of the Securities. The Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries owe no duty or responsibility to any holder of the Securities (or any other party) to avoid such conflicts. In connection with the offering of the Securities, the Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries may enter into one or more hedging transactions with respect to the Underlying or Component Securities or related derivatives. In connection with such hedging or with respect to proprietary or other trading activities by the Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries, the Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries may enter into transactions in relation to the Underlying, Component Securities or related derivatives which may affect the market price, liquidity or value of the Securities and which could be deemed to be adverse to the interests of the relevant holders of the Securities. Such transactions could present certain conflicts of interest with the interest of holders of the Securities and may affect the value of the Securities. The Issuer, the Guarantor, the Dealer, the Calculation Agent and/or their respective subsidiaries owe no duty or responsibility to any holder of the Securities (or any other party) to avoid such conflicts.

**Selling Restrictions**

**United States:** The Securities have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**") or any state securities law, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person, except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. The Securities described herein will be offered and sold outside the United States in reliance on Regulation S of the Securities Act.

**European Economic Area:** No Prospectus (as defined in the EU Prospectus Directive) which would allow the public offer of the Securities in the European Economic Area ("**EEA**") member state will be prepared in respect of the Securities. Accordingly, the Securities may not be offered to the public in any EEA member state and any purchaser of the Securities who subsequently sells any of their Securities in any EEA member state must do so only in accordance with the requirements of the EU Prospectus Directive as implemented in that member state.

**Switzerland Selling Restrictions:** Individual Placement: The Securities may only be offered to Qualified Investors according to art. 10 Para. 3 Collective Investment Schemes Act which includes:

- (a) Regulated financial intermediaries such as banks, securities traders and fund management companies;
- (b) Regulated insurance institutions;
- (c) Public entities and retirement benefits institutions with professional treasury operations;
- (d) Companies with professional treasury operations;
- (e) High-net-worth individuals according to art. 6 para. 1 of the Ordinance on Collective Investment Schemes ("**CISO**")\*;
- (f) Investors who have concluded a written discretionary management agreement with a financial intermediary as defined under (a);
- (g) independent asset managers and their investors who have concluded a written discretionary management agreement with them according to the requirements defined in FINMA-circular 2008/8, Mn. 12.

\*an individual is considered a high-net-worth individual according to art. 6 para. 1 CISO if he or she confirms in writing to a regulated financial intermediary as defined under (a) and (b) or to an independent asset manager as defined under (g) above, that he or she either directly or indirectly holds financial investments of at least 2,000,000 Swiss francs at the time of the offer.

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