

THIRD SUPPLEMENT DATED 22 FEBRUARY 2018 TO THE BASE PROSPECTUS DATED 7 JULY 2017



BANCA IMI S.p.A.

(incorporated with limited liability in the Republic of Italy)

EURO MEDIUM TERM NOTE PROGRAMME

This third supplement (the **Third Supplement**) to the Base Prospectus dated 7 July 2017, as previously supplemented by the First Supplement dated 9 August 2017 and by the Second Supplement dated 13 November 2017 (the **Base Prospectus**), constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the **Prospectus Directive**) and as implemented in Ireland by the Prospectus Regulations 2005, as amended (the **Prospectus Regulations**) and is prepared in connection with the Euro Medium Term Note Programme (the **Programme**) established by Banca IMI S.p.A. (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Third Supplement.

This Third Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus issued by the Issuer.

This Third Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Third Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

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

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

In accordance with Article 16.2 of the Prospectus Directive, in the case of an offer of Notes to the public, investors who have already subscribed for Notes to be issued under the Euro Medium Term Note Programme before this Third Supplement, dated 22 February 2018, is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date of publication of this Third Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 26 February 2018.

1. PURPOSE OF THIS SUPPLEMENT

The purpose of this Third Supplement is to:

- (i) add references to the newly approved Intesa Sanpaolo Group's 2018-2021 Business Plan;
- (ii) reflect the changes that occurred in the composition of the Board of Directors of the Issuer on 18 January 2018;
- (iii) disclose the limited reviewed unaudited company condensed interim consolidated financial statements and the unaudited interim financial statements of the Issuer as at and for the six months ending 30 June 2017; and
- (iv) include certain legends and selling restrictions relating to Regulation (EU) No 1286/2014 (the PRIIPs Regulation) and MIFID II Product Governance languages.

In particular, in relation to point (i) above, on 6 February 2018, the Board of Directors of Intesa Sanpaolo S.p.A., the parent company of the Issuer, approved the Group's 2018-2021 Business Plan (the "**Plan**").

The Plan lays down measures aimed, *inter alia*, at cost reduction through further simplification of the operating model. For this purpose, 12 legal entities of the Intesa Sanpaolo Group, including Banca IMI, will be merged into the parent company Intesa Sanpaolo S.p.A..

The following sections of the Base Prospectus will be amended and/or updated, as the case may be, as better specified under paragraphs 2 to 9 of this Third Supplement:

- Cover Page;
- Summary of the Programme;
- Risk Factors;
- Documents incorporated by reference;
- Applicable Final Terms;
- Description of the Issuer;
- Subscription and Sale; and
- General Information.

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

Copies of the Base Prospectus and this Third Supplement can be obtained from the registered office of the Issuer and from the specified offices of the Principal Security Agent for the time being in Luxembourg. The Base Prospectus and this Third Supplement are available on the official website of the Issuer at <https://www.bancaimi.prodottiequotazioni.com/EN/Legal-Documents> and on the official website of the Irish Stock Exchange at <http://www.ise.ie/Market-Data-Announcements/Debt/Individual-Debt-Instrument-Data/Dept-Security-Documents/?progID=643&FIELDSORT=docId>.

2. COVER PAGE

In the Cover Page of the Base Prospectus, right after the following paragraph:

"Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Notes and are not relying on the advice of the Issuer or, if relevant, any Manager in that regard. See "Risk Factors" on pages 30 to 49"

The following two paragraphs shall be added:

IMPORTANT – EEA RETAIL INVESTORS - If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

3. SUMMARY OF THE PROGRAMME

- I. As a result of (i) the approval of the limited reviewed company condensed interim consolidated financial statements and the interim financial statements of the Issuer as at and for the six months ending 30 June 2017 and of (ii) the approval by the Board of Directors of Intesa Sanpaolo S.p.A. of the "Intesa Sanpaolo Group's 2018-2021 Business Plan", Element B.12 "Selected historical key financial information", the "Significant changes in the financial or trading position", Element B.14 "Dependence upon other group entities" and Element B.16 "Controlling shareholders" of the Section B "Issuer" of the "Summary of the Programme" are amended as set out in Schedule 1 hereto.

- II. As a result of the approval by the Board of Directors of Intesa Sanpaolo S.p.A. of the "Intesa Sanpaolo Group's 2018-2021 Business Plan", Element D.2 "Key risks regarding the issuer" of the Section D "Risks" of the "Summary of the Programme" is amended as set out in Schedule 1 hereto.

4. RISK FACTORS

- I. As a result of the approval by the Board of Directors of Intesa Sanpaolo S.p.A. of the "Intesa Sanpaolo Group's 2018-2021 Business Plan", under the Section "Risk Factors" of the Base Prospectus, within the sub-section "Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme", right after the risk factor "Banca IMI's business is sensitive to current adverse macroeconomic conditions in Italy", the following risk factor "Risk related to the merge of Banca IMI into the parent company Intesa Sanpaolo S.p.A." shall be added:

Risk related to the merge of Banca IMI into the parent company Intesa Sanpaolo S.p.A.

On 6 February 2018 the Board of Directors of Intesa Sanpaolo S.p.A., the parent company of the Issuer, approved the Group's 2018-2021 Business Plan (the "**Plan**"). The Plan lays down measures aimed, *inter alia*, at cost reduction through further simplification of the operating model. According to the Plan, 12 legal entities of the Intesa Sanpaolo Group, including Banca IMI, will be merged into the parent company Intesa Sanpaolo S.p.A..

Merger transactions could cause uncertainties to business operations, particularly when unrelated companies are involved.

Considering that Intesa Sanpaolo S.p.A. is the parent company of Banca IMI and that the merger takes place between two entities belonging to the same banking group, such merger is not expected to have any material adverse effects on the business of Banca IMI or the parent company.

- II. As a result of the approval of the limited reviewed company condensed interim consolidated financial statements and the interim financial statements of the Issuer as at and for the six months ending 30 June 2017, under the Section "Risk Factors" of the Base Prospectus, within the sub-section "Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme", the following risk factor "Legal risks" shall be replaced as follows:

Legal risks

In the normal course of its business, Banca IMI is party to a number of legal proceedings including civil, tax and administrative proceedings, as well as investigations or proceedings brought by regulatory agencies. Such actions brought against Banca IMI may result in judgments, settlements, fines, penalties or other results adverse to Banca IMI which could materially adversely affect Banca IMI's business, financial condition or results of operation, or cause it serious reputational harm.

As at 30 June 2017, provisions for risks and charges are in the amount of approximately €15.9 million.

Administrative expenses include the ordinary contribution pursuant to Directive EU/2014/59 equal to €34 million and the extraordinary contribution equal to €79 million. For more detailed information, see Paragraph headed "Litigation" under Section headed "Description of the Issuer".

5. DOCUMENTS INCORPORATED BY REFERENCE

Section "**Documents incorporated by reference**" of the Base Prospectus shall be replaced by the following:

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the Central Bank of Ireland shall be deemed to be incorporated in, and to form part of, this Base Prospectus. Any information not listed in the cross reference lists below but included in the document incorporated by reference is given for information purposes only. The documents set out below that are incorporated by reference in this Base Prospectus are direct translations into English from the original Italian language documents. The Issuer takes responsibility for such translations.

- (a) The audited company financial statements and the audited consolidated financial statements of the Issuer for the financial year ending 31 December 2015 (available at <https://www.bancaimi.com/en/bancaimi/chisiamo/documentazione/bilanci>):

	<i>2015 Company Financial Statements</i>	<i>2015 Consolidated Financial Statements</i>
Balance sheet (Statement of financial position)	Pages 62	Page 306
Income statement	Page 64	Page 307
Changes in shareholders' equity	Pages 66	Page 309
Statement of cash flows	Pages 68	Pages 310
Accounting principles and explanatory notes	Pages 72 -94	Pages 315-329
Auditors' report	Pages 225 - 229	Pages 403

- (b) The audited company financial statements and the audited consolidated financial statements of the Issuer for the financial year ending 31 December 2016 (available at <https://www.bancaimi.com/en/bancaimi/chisiamo/documentazione/bilanci>):

	<i>2016 Company Financial Statements</i>	<i>2016 Consolidated Financial Statements</i>
Balance sheet (Statement of financial position)	Pages 70 - 71	Pages 322
Income statement	Page 72	Pages 323
Changes in shareholders' equity	Pages 74	Pages 324
Statement of cash flows	Pages 76 - 77	Pages 325
Accounting principles and explanatory notes	Pages 80 - 106	Pages 331-338
Auditors' report	Pages 243 - 244	Pages 421 - 422

- (c) The limited reviewed unaudited company condensed interim consolidated financial statements and the unaudited interim financial statements of the Issuer as at and for the six months ending 30 June 2017 (available at <https://www.bancaimi.com/en/bancaimi/chisiamo/documentazione/bilanci>):

<i>2017 Condensed Consolidated</i>	<i>Company Interim</i>	<i>2017 Interim Financial Statements</i>
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Financial Statements

Balance sheet (Statement of financial position)	Pages 56-57	Pages 122-123
Income statement	Page 58	Page 124
Statement of comprehensive income	Page 59	Page 125
Statement of changes in equity	Page 60	Pages 126-127
Statement of cash flows	Pages 61-62	Pages 128-129
Notes to the condensed interim consolidated financial statements and Accounting policies	Pages 63-120	-
Independent Auditors' report	Pages 141-143	-

- (d) The Terms and Conditions set out in the base prospectus dated 11 July 2016, as from time to time supplemented, relating to the Programme (available at http://www.ise.ie/debt_documents/Base%20Prospectus_a3979baa-ef19-4f1a-91cb-4a952a727a98.pdf):

*Base Prospectus dated 11 July
2016*

Terms and Conditions

Pages 82 – 120

Any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference 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 Base Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer and from the specified offices of the Paying Agent for the time being in Luxembourg.

The Issuer will in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus, which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus, which supplement will be approved by the Central Bank of Ireland in accordance with Article 16 of the Prospectus Directive, or publish a new prospectus for use in connection with any subsequent issue of Notes.

6. APPLICABLE FINAL TERMS

- I. Within the PART A – CONTRACTUAL TERMS of the Section "**Applicable Final Terms**", right after the following paragraph:

[A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.]

the following legends shall be added:

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended[, from 1 January 2018,] to be offered, sold or otherwise made available to and[, with effect from such date,] should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[[MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.]

OR

[MIFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**");

[and (ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]]

[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[, / and] portfolio management[, / and][non-advised sales][and pure execution services][, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable]].

Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable].]

II. Within the PART A – CONTRACTUAL TERMS of the Section "**Applicable Final Terms**" the following new point 31. shall be added:

31. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable] (If the offer of the Notes is concluded prior to 1 January 2018, or on and after that date the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes will be concluded on or after 1 January 2018 and the Notes may constitute "packaged" products [or constitute "packaged" products but will be offered to qualified investors only] and no KID will be prepared, "Applicable" should be specified.)

7. DESCRIPTION OF THE ISSUER

Section "Description of the Issuer" of the Base Prospectus shall be entirely replaced as follows:

History of the Issuer

The Issuer is a banking institution established under Italian law. It is the result of a number of reorganisations, which have resulted in:

- (i) the merger of the securities companies which operated under the names of Caboto Sim – Società di Intermediazione Mobiliare S.p.A. and Caboto Società di Intermediazione Mobiliare S.p.A. within the former Banca Intesa banking group into Banca Primavera S.p.A., a bank duly authorised by the Bank of Italy, which then changed its corporate name into Banca Caboto S.p.A., effective from 1 January 2004. Banca Caboto S.p.A. was then as resulting entity the investment bank of the former Banca Intesa banking group; and
- (ii) the merger of Banca d'Intermediazione Mobiliare IMI S.p.A., the investment bank of the former Sanpaolo IMI banking group, into Banca Caboto S.p.A., which then changed its corporate name into Banca IMI S.p.A., effective from 1 October 2007.

The merger by incorporation referred to at Paragraph (ii) above was part of a broader rationalisation of the business and companies belonging to the former Banca Intesa and Sanpaolo IMI banking groups upon merger of the two banking group in the Intesa Sanpaolo banking group effective 1 January 2007.

The Intesa Sanpaolo Group is the result of the merger effective 1 January 2007 of Sanpaolo IMI S.p.A. with Banca Intesa S.p.A. The former Banca Intesa banking group, prior to the merger, was also the result of a series of mergers, having been brought into existence in 1998 by the merger of Cariplo and Ambroveneto, followed in 1999 by the public exchange offer for 70 per cent. of Banca Commerciale Italiana, which was merged by incorporation in 2001. The former Sanpaolo IMI group was the result of the merger of Istituto Bancario San Paolo di Torino and Istituto Mobiliare Italiano in 1998, and of the subsequent integration of Banco di Napoli, in 2000 and of Gruppo Cardine, in 2002.

On 29 July 2009 Banca IMI S.p.A.'s extraordinary shareholders' meeting resolved in favour of a capital increase of Euro 750 million, including any premium price, which capital increase was subscribed by the sole shareholder Intesa Sanpaolo S.p.A. by contributing the *Investment Banking* business division to Banca IMI, thereby completing the integration of Banca Caboto and Banca IMI.

On 6 February 2018 the Board of Directors of Intesa Sanpaolo S.p.A., the parent company of the Issuer, approved the Group's 2018-2021 Business Plan (the "**Plan**"). The Plan lays down measures aimed, *inter alia*, at cost reduction through further simplification of the operating model. According to the Plan, 12 legal entities of the Intesa Sanpaolo Group, including Banca IMI, will be merged into the parent company Intesa Sanpaolo S.p.A..

Legal and Commercial Name of the Issuer

The legal and commercial name of the Issuer is Banca IMI S.p.A., or in short form IMI S.p.A.

Place of Registration and Registration Number of the Issuer

The Issuer is registered with the Companies' Register of Milan under No. 04377700150. The Issuer is also registered with the Register of Banks held by the Bank of Italy under No. 5570 and is part of the Intesa Sanpaolo Banking Group, which is registered with the Register of Banking Groups (*Albo dei Gruppi Bancari*) and a member of the Interbank Deposit Protection Fund (*Fondo Interbancario di Tutela dei Depositi*).

Date of Establishment and Duration of the Issuer

The Issuer was established on 29 March 1979 by a notarial deed of the Notary public Landoaldo de Mojana. The duration of the Issuer is until 31 December 2100 and may be extended by an extraordinary resolution of the shareholders' meeting, passed with the quorum provided for by law.

Legal Status, Registered office and Share Capital of the Issuer

The Issuer is an Italian bank established as a company limited by shares (*società per azioni*). The Issuer is incorporated and carries out its business under Italian law. The Issuer operates under Legislative Decree No. 385 of 1 September 1993, as amended (the "Italian Consolidated Banking Act") and the implementing regulations of the Bank of Italy, and under Legislative Decree No. 58 of 24 February 1998, as amended (the "Italian Consolidated Financial Act") and the implementing regulations of CONSOB. The Courts of Milan have jurisdiction in respect of any disputes. The Issuer, both as a bank and as a member of the Intesa Sanpaolo banking group, is subject to the Bank of Italy's prudential supervision. The Issuer is a company belonging to the Intesa Sanpaolo Group, of which Intesa Sanpaolo S.p.A. is the parent company, and is subject to the management and co-ordination of its sole shareholder, Intesa Sanpaolo S.p.A.

The registered and administrative office of the Issuer is in Largo Mattioli, 3 20121 Milan, with telephone number +39 02 72611. The Issuer has offices in Rome and a branch in London, at 90 Queen Street, London EC4N 1SA, United Kingdom.

At 30 June 2017, the Issuer's issued and paid-up share capital amounted to € 962,464,000 divided into 962,464,000 ordinary shares. The shares are in registered form and each share entitles to one vote. Intesa Sanpaolo S.p.A. holds directly 100 per cent. of the fully subscribed and paid up share capital of the Issuer.

Independent Auditors

The Issuer's shareholders' general meeting held on 20 December 2011 resolved to appoint KPMG S.p.A., with registered office at Via V. Pisani, 25, 20121 Milan, as independent auditors of the Issuer for the annual and half-yearly non-consolidated and consolidated financial statements of the Issuer for each financial year in the nine year period 2012-2020.

The KPMG S.p.A.'s audit reports on the Issuer's unconsolidated financial statements for the financial years ending 31 December 2015 and on the Issuer's consolidated financial statements for the financial year ending 31 December 2015 were issued without qualification or reservation.

The KPMG S.p.A.'s audit reports on the Issuer's unconsolidated financial statements for the financial years ending 31 December 2016 and on the Issuer's consolidated financial statements for the financial year ending 31 December 2016 were issued without qualification or reservation.

KPMG carried out a limited review of the interim consolidated financial statements of the Issuer as at and for the six months ending on 30 June 2017.

OVERVIEW OF ACTIVITIES

Description of the Issuer's main activities

The Issuer is the investment banking arm and securities firm of Gruppo Intesa Sanpaolo and it offers a wide range of capital markets, investment banking and special lending services to a diversified client base including banks, companies, institutional investors, entities and public bodies.

The Issuer's business is divided into three business divisions: *Global Markets*, *Investment Banking* and *Structured Finance*.

The *Global Markets* division deals with all activities relating to the markets area, including risk management for institutional and corporate clients and the trading and distribution of financial instruments, both on its own

account and on account of third parties; the business unit remains responsible for capital markets operations of a more structural nature (treasury and funding, investment and management portfolio, and bond issues) and monitoring the Bank's overall risk profiles.

The *Investment Banking* division provides placing and arranging services for equity, debt instruments and hybrid instruments as well as consultancy and advisory services in respect of merger, acquisition, divestment and restructuring transactions.

The *Structured Finance* division provides to corporate borrowers leveraged and acquisition finance lending services, project finance lending (both in the domestic and in the international market), tailor-made structured finance, special financing services, market risk management through syndication, market placement of syndicated transactions, real estate financial advisory and real estate structured financings.

The Issuer is mainly active in the Italian financial market and, to a lesser extent, in other European Union and U.S. markets.

ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Board of Directors

The Issuer's Board of Directors is composed, pursuant to the by-laws of the Issuer, of a minimum of seven and a maximum of eleven members appointed by the shareholders of Banca IMI S.p.A..

The current Board of Directors of Banca IMI S.p.A. is composed of eleven members.

The following table specifies the name, position and the main activities carried out outside the Issuer (if relevant with regard to the Issuer) of the members of the Board of Directors:

NAME AND POSITION	PRINCIPAL ACTIVITIES PERFORMED OUTSIDE THE ISSUER WHERE RELEVANT WITH REGARD TO THE ISSUER
Gaetano Miccichè Chairman	Member of the Board of Directors of RCS S.p.A. Member of the Board of Directors of Alitalia Società Aerea Italiana S.p.A.
Giuliano Asperti Acting Deputy Chairman	Chairman of TEM S.p.A. Chairman of SIA S.p.A. Chairman of P4CARD S.r.l.
Fabio Alberto Roversi Monaco Deputy Chairman	Chairman of IMI Investimenti S.p.A.
Mauro Micillo Chief Executive Officer	
Aureliano Benedetti Board Member	
Gerardo Pisanu	Member of the Board of Directors of Banca CR Firenze S.p.A.

NAME AND POSITION	PRINCIPAL ACTIVITIES PERFORMED OUTSIDE THE ISSUER WHERE RELEVANT WITH REGARD TO THE ISSUER
Board Member	
Fabio Buttignon Board Member	<p>Member of the Board of Directors of Valentino S.p.A.</p> <p>Member of the Board of Directors of Benetton Group S.r.l.</p> <p>Member of the Board of Directors of Tecnica Group S.p.A.</p> <p>Member of the Board of Directors of Carraro S.p.A.</p> <p>Member of the Board of Directors of Stevanato Group S.p.A.</p> <p>Member of the Board of Directors of AFV Acciaierie Beltrame S.p.A.</p> <p>Member of the Board of Directors of Prime Holding S.p.A.</p> <p>Member of the Board of Directors of Edizione S.r.l.</p> <p>Professor at the University, Economics and Management Department “Marco Fanno”, Padova</p>
Vincenzo De Stasio Board Member	Professor at the University, Faculty of Law of Bergamo
Paolo Maria Vittorio Grandi Board Member	<p>Chairman of Banca Prossima S.p.A.</p> <p>Member of the Board of Directors of Cassa di Risparmio di Firenze S.p.A.</p> <p>Member of the Board of Directors of PFH Palladio Holding</p> <p>Member of the Board of Directors of SIA S.p.A.</p> <p>Chairman of Intesa Sanpaolo Holding International SA Luxembourg</p>
Massimo Mattera Board Member	
Giuseppe Attanà Board Member	<p>Chairman of MID SIM S.p.A.</p> <p>Member of the Management Board of Intesa Sanpaolo Vita S.p.A.</p>

The Board was appointed by the shareholders' meeting held on 31 March 2016.

All the members of the Board of Directors set out above fulfil the expertise and integrity requirements established by current laws and regulations.

For the purposes of their positions at Banca IMI S.p.A., the members of the Board of Directors set out above are domiciled at the offices of Banca IMI, in Milan.

No Executive Committee has been appointed.

Chief Executive Officer

Mauro Micillo, born in Desenzano del Garda on 19 January 1970, has held the position of Chief Executive Officer of the Issuer since 14 April 2015 and has been confirmed by the Board of Directors on 1 April 2016 until the end of his term of office (approval of the financial statements as at 31 December 2018).

General Manager

Massimo Mocio, born in Viterbo on 8 July 1961, has held the position of General Manager of the Issuer since 18 January 2018.

Board of Statutory Auditors

The Board of Statutory Auditors of Banca IMI S.p.A. is composed, pursuant to the by-laws of the Issuer, of three standing statutory auditors and two alternate statutory auditors.

The current Board of Statutory Auditors of Banca IMI S.p.A. was appointed by the shareholders' meeting held on 31 March 2016 and is composed of three standing statutory auditors and two alternate statutory auditors.

The current Board of Statutory Auditors will expire upon approval of the financial statements as at 31 December 2018.

The following table specifies the name, position and the main activities carried out outside the Issuer (if relevant with regard to the Issuer) of the members of the Board of Statutory Auditors:

NAME AND POSITION	MAIN ACTIVITIES CARRIED OUT OUTSIDE THE ISSUER WHERE RELEVANT WITH REGARD TO THE ISSUER
Gianluca Ponzellini Chairman	Chairman of the Board of Statutory Auditors of Epsilon SGR S.p.A. Chairman of the Board of Statutory Auditors of Luisa Spagnoli S.p.A. Chairman of the Board of Statutory Auditors of Midco S.p.A. Chairman of the Board of Statutory Auditors of SPAIM S.p.A. Standing Auditor of ALITALIA Società Aerea Italiana S.p.A. Standing Auditor of G.S. S.p.A. Standing Auditor of Carrefour Italia S.p.A. Standing Auditor of Telecom Italia S.p.A. Standing Auditor of De' Longhi S.p.A.
Stefania Mancino	Chairman of the Board of Statutory Auditors of

NAME AND POSITION	MAIN ACTIVITIES CARRIED OUT OUTSIDE THE ISSUER WHERE RELEVANT WITH REGARD TO THE ISSUER
Standing statutory auditor	Gruppo Editoriale l'Espresso S.p.A. Standing Auditor of Italgas Reti S.p.A. Standing Auditor of Acam Gas S.p.A. Standing Auditor of Umbria Distribuzione Gas S.p.A.
Giulio Stefano Lubatti Standing statutory auditor	Chairman of the Board of Statutory Auditors of Fideuram S.p.A.
Carlo Maria Bertola Alternate statutory auditor	Chairman of the Board of Statutory Auditors of Gianmarco Moratti S.a.p.A. Chairman of the Board of Statutory Auditors of Ital Press Holding S.p.A. Chairman of the Board of Statutory Auditors of Massimo Moratti S.p.A. Chairman of the Board of Statutory Auditors of Atam S.p.A. Standing Auditor of Fideuram Vita S.p.A. Standing Auditor of Intesa Sanpaolo Reoco S.p.A.
Alessandro Cotto Alternate statutory auditor	Chairman of the Board of Statutory Auditors of NEVA FINVENTURES S.p.A. Standing Auditor of Farmaceutici dott. Ciccarelli S.p.A. Standing Auditor of Intesa Sanpaolo Assicura S.p.A. Standing Auditor of Sanpaolo Invest S.p.A.

For the purposes of their positions at Banca IMI S.p.A. the members of the Board of Statutory Auditors set out above are domiciled at the offices of Banca IMI S.p.A., in Milan.

Conflicts of interest of members of the Board of Directors and the Board of Statutory Auditors

As at the date of publication of this Base Prospectus, based on the duties of disclosure of directors and statutory auditors pursuant to article 2391 of the Italian civil code and article 136 of Legislative Decree no. 385/1993, the Issuer is not aware of any potential conflicts of interest between the obligations of the member of the board of directors to the Issuer and their private obligations and/or interests.

LEGAL AND ARBITRATION PROCEEDINGS

The administrative, legal or arbitration proceedings that may have or that have recently had a material effect on the Issuer's financial condition or profitability are described below.

As at 30 June 2017, provisions for risks and charges are in the amount of approximately € 15.9 million.

Administrative expenses include the ordinary contribution pursuant to Directive UE/2014/59 equal to €34 million and the extraordinary contribution equal to €79 million.

Tax Litigation

Tax audits by Italian Inland Revenue refer to the fiscal years 2003 to 2006 for the former Banca d'Intermediazione Mobiliare IMI.

Tax audits were conducted by the Italian Tax Police (*Guardia di Finanza*) on the fiscal years 2011 and 2012. In general terms, the audits addressed matters taken up with many other Italian banks. Specifically, the matters concerned accusations of "abuse of process" over alleged links between futures and cash instruments tied to listed equities. For the years under examination up to the end of 2012, the audit investigated the application of substitute tax to a very small number of medium and long-term corporate loans.

In December 2016 a settlement was reached regarding the 2011 tax audit and requiring payment of approximately €1.8 million compared to a claim of the tax authority of about €26 million (including taxes, withholdings and fines). Although fully convinced of the groundlessness of this and previous similar claims, the decision to settle the various disputes was taken with a view to avoid long and costly litigation over specific matters plagued by marked uncertainty.

In addition, Italian Inland Revenue conducted checks, involving questionnaires, on charges incurred in relation to entities domiciled in black-listed countries and reported in tax statements for the fiscal years 2006, 2007 and 2008. The charges relate primarily to differentials paid on derivatives listed on Asian regulated markets and OTC derivatives stipulated with premier banking counterparties and, to a lesser extent, to trading fees and commissions on securities and other financial instruments, paid to intermediaries on markets for cash instruments.

In February 2015 the Large Taxpayers Division of the Italian Tax Police (*Guardia di Finanza*) asked for data and information (through a questionnaire) with reference to certain decreases in tax declarations made for the years 2010-2013. In December 2016 the Italian Revenue Agency (*Agenzia delle Entrate*) asked for data and information (through a questionnaire) with reference to the Italian "Tobin Tax".

In May 2016 – subsequent to the settlements reached in 2014 through recourse to the so-called "alternative dispute resolution mechanisms" – there were residual tax assessments for the period 2003-2006 for a demand of approximately €39 million for taxes, penalties and interest. Litigation primarily concerns equities trading and other matters connected with typical capital market and investment banking transactions, and to a much lesser degree corporate governance.

The Bank has appealed against the tax assessments, challenging findings that are groundless or based on disputed interpretations of tax law, or which in some cases conflict with the letter of those laws.

In May 2016, no final ruling had been handed down on any of the fiscal years disputed.

In December 2015, as per years 2008 and 2009, a settlement agreement was reached with the Italian Tax Police (*Guardia di Finanza*) through alternative dispute resolution mechanisms for the fiscal year 2010, entailing a payment of approximately 2 million euro to settle claimed tax arrears of some €89 million (taxes, withholdings and fines).

Although fully convinced of the groundlessness of the claims, the decision to settle the various disputes was taken with a view to avoiding long and costly litigation over specific matters plagued by marked uncertainty.

As concerns the question of substitute tax, in relation to a claim for approximately €10 million. The Italian Revenue Agency (*Agenzia delle Entrate*), through the self-protection procedure, has voided the payment notice.

A total of approximately €12 million in provisional deposits was paid in relation to tax litigation pending at 31 December 2016; the entire amount was deducted from tax provisions allocated, with no credit entry charged. The

provisional deposits were paid in compliance with specific legislative provisions governing tax litigation. The amounts will be deducted from the final claim awarded in the event of defeat, or refunded in the event of a ruling in favour of Banca IMI.

Additional provisions allocated to the relevant fund, cover the contingent tax liability estimated and residual tax credits recognised in accounts in relation to taxes and withholdings for which a refund has been requested.

In July 2016, the ordinary tax assessment by Her Majesty's Revenues & Customs regarding direct taxation of the London branch for the year 2013 concluded without any significant impact in terms of higher tax imposed.

Kalivac Green Energy Sh.p.k. Litigation

In the first half of 2014 Banca IMI was sued by the Albanian company Kalivac Green Energy Sh.p.k. at the Court of Tirana in connection with an alleged pre-contractual liability with regard to the non-funding of a hydroelectric project in Albania. In February 2016, the Court of Tirana found that the writ of summons was inadmissible. Kalivac Green Energy Sh.p.k. has appealed against that decision and the relevant proceedings still pending.

Fondazione MPS Litigation

In July 2014 Banca IMI was sued, along with former officers of the administrative deputation of the Fondazione MPS and other leading financial and banking intermediaries, in relation to an assumed non-contractual contribution to the mismanagement performed by the deputation in the application for and use of pooled funding, where Banca IMI operated as a bank agent, used by the Fondazione for the purposes of subscribing the pro-quota increase in capital of Banca MPS in 2011. Fondazione MPS, in support of its claim for damages jointly for all the defendants, alleged liability of a contractual nature against the previous directors and the advisor for having violated the limit regarding the debt-to-equity ratio established in the articles of association, and liability of a non-contractual nature against the lending banks for knowingly providing assistance in the alleged violation committed by the former. Banca IMI made its appearance in the proceedings with a request for total rejection of the opposing parties' claims. In particular, Banca IMI believes that the claim, as presented against the defendant banks, is groundless for a variety of reasons including: technically incorrect assessment of items in the financial statements from which the violation of such limit is alleged, non-existence of the causal link between the censured conduct and the harmful event; finally, incorrect quantification of the items of damages on which the civil claim rests.

Petrobras Litigation

At the end of December 2014, Banca IMI was sued, together with Petroleo Brasileiro S.A. - Petrobras, Petrobras Global Finance B.V. and corporate officers of the same companies and other leading financial and banking intermediaries in a class action brought in the US district courts in New York in connection with the issuance and distribution - including on the US market - of financial instruments issued and/or guaranteed by Petroleo Brasileiro S.A.- Petrobras and/or Petrobras Global Finance B.V..

Actions have been brought against the issuer Petrobras Global Finance B.V., the guarantor Petroleo Brasileiro S.A. - Petrobras, their senior management, and also against the institutions participating in the placement and guarantee syndicate related to the offer of the financial instruments on the US market (including Banca IMI S.p.A.) due to the alleged misrepresentation of certain data contained in the official financial statements of the companies and incorporated by reference in the offering documents as well as in view of the presumed joint liability of the institutions participating in the placement and guarantee syndicate along with the issuer and the guarantor toward the investors, pursuant to the applicable US rules concerning liability related to omission of information and misrepresentation in public offering documents. The proceedings at first instance are pending before the competent U.S. District Court in New York.

Icelandic Banks Landsbanki Islands hf., Kaupthing hf. Litigation

On the second half of 2008, the U.S. economic and financial crisis, already appeared from August 2007, and culminated in the failure of Lehman Brothers Holdings Inc., the fourth American investment bank at the time, on

September 2008, determined a general economic crisis worldwide and in particular with reference to the European economy. In particular the liquidity crisis of the international markets has had serious adverse effects on the two most important Icelandic banks Landsbanki Islands hf. and Kaupthing hf., also in respect of their over dimension, high exposure to the global stock market, high dependence on liquidity loans on the international markets and high dimension of foreign currency loans. On October 2008, Icelandic authorities took legislative emergency measures granting extraordinary power to the prudential regulation authority and all the two banks were submitted to insolvency proceeding according to Icelandic Legislation.

Banca IMI has held residual relationship with such banks in the context of the bank's activities of trading intermediation on financial instruments.

In particular the submission to insolvency crisis procedure has determined, as consequence, the right for the administrative bodies of the insolvency procedure of the above mentioned Icelandic banks, to bring clawback actions on the operations carried out in the course of the six months before the submission to the insolvency procedure.

Therefore Banca IMI has been called as defendant by liquidators of Kaupthing hf and Landsbanki Islands hf. in connection with a requested clawback of certain sale and purchase trades of bonds issued by such entities between Banca IMI as vendor and the relevant Icelandic bank as buyer during the six months period before the submission to insolvency proceeding, for an aggregate value of approximately EUR 3,85 million.

The legal actions initiated by the liquidators of Kaupthing hf and Landsbanki Islands hf. in connection with the clawback are currently pending before the courts of first instance.

SELECTED FINANCIAL AND BALANCE SHEET FIGURES RELATING TO THE ISSUER

The following table contains certain selected solvency figures relating to the Issuer on a non-consolidated basis as at 31 December 2016, compared to corresponding figures as at 31 December 2015.

	31 December 2016	31 December 2015
Common equity Tier 1 / Risk-weighted assets	9.59%	10.67%
Tier 1 / Risk-weighted assets	12.85%	10.67%
Total Capital Ratio	12.85%	10.67%
Regulatory capital (in EUR millions)		
Tier 1 capital	3,646.5	2,623.5
Tier 2 capital	-	-
Total capital	3,646.5	2,623.5

The following table contains certain selected credit quality figures relating to the Issuer on a non-consolidated basis as at 31 December 2016, compared to corresponding figures as at 31 December 2015.

	31 December 2016	31 December 2015
Gross doubtful exposures / gross exposures	0.39%	0.33%
Net doubtful exposures / net exposures	0.15%	0.15%
Gross non-performing exposures / gross exposures	4.11%	4.41%

Net non-performing exposures / net exposures	3.02%	3.32%
Non-performing exposures coverage ratio	27.73%	25.77%
Doubtful exposures coverage ratio	61.59%	54.29%
Net doubtful exposures / equity	0.91%	1.40%

The following table contains certain selected income statement and balance sheet figures extracted from the Issuer's audited non-consolidated financial statements for the financial year ending 31 December 2016, compared with corresponding figures for the financial year ending 31 December 2015.

Income Statement Figures

	31 December 2016	31 December 2015	Percentage Variation
	<i>(EUR million)</i>		<i>(per cent.)</i>
Net interest income	536	578	-7.3
Total income	1,631.4	1,367.9	19.3
Operating expenses	(538.9)	(571.9)	-5.8
Net financial income	1,629.2	1,370.8	18.8
Pre-tax profit from continuing operations	1,109.2	799.0	38.8
Profit for the year	741.2	522.0	42.0

Balance Sheet Figures

	31 December 2016	31 December 2015	Percentage variation
	<i>(EUR million)</i>		<i>(per cent.)</i>
Net investments ¹	27,657.7	28,547.2	-3.1
Net liabilities ²	37,766.5	37,066.5	1.9
Financial assets ³	68,105.0	68,547.0	-0.6
Total assets	150,249.6	153,797.1	-2.3
Net equity ⁴	4,618.0	3,160.6	46.1
Share Capital	962.5	962.5	0.0

¹ The aggregate amount consists of loans to customer plus financial assets held for trading, net of financial liabilities held for trading.

² The aggregate amount consists of securities issued, due to banks, due to customers, liabilities at fair value net of due from banks.

³ The aggregate amount consists of financial assets held for trading plus available for sale financial assets.

⁴ The aggregate amount consists of reserves, share premium reserve, share capital, fair value reserves, equity instruments and interim dividends (if any) and the profit for the year.

The following table contains certain selected credit quality figures relating to the Issuer on a consolidated basis as at 31 December 2016, compared to corresponding figures as at 31 December 2015.

	31 December 2016	31 December 2015
Gross doubtful exposures / gross exposures	0.39%	0.33%
Net doubtful exposures / net exposures	0.15%	0.15%
Gross non-performing exposures / gross exposures	4.09%	4.39%
Net non-performing exposures / net exposures	3.01%	3.31%
Non-performing exposures coverage ratio	27.73%	25.77%
Doubtful exposures coverage ratio	61.59%	54.29%
Net doubtful exposures / equity	0.88%	1.34%

The following table contains certain selected income statement and balance sheet figures extracted from the Issuer's audited consolidated financial statements for the financial year ending 31 December 2016, compared with corresponding figures for the financial year ending 31 December 2015.

Income Statement Figures

	31 December 2016	31 December 2015	Percentage variation
	<i>(EUR million)</i>		<i>(per cent)</i>
Net interest income	536.1	578.4	-7.3
Total income	1,661.4	1,399.2	18.7
Operating expenses	(574.6)	(591.5)	-2.9
Net financial income	1,659.1	1,402.1	18.3
Pre-tax profit from continuing operations	1,115	817.5	36.4
Profit for the year	741.7	533.7	39.0

Balance Sheet Figures

	31 December 2016	31 December 2015	Percentage variation
	<i>(EUR million)</i>		<i>(per cent)</i>
Net investments ⁵	27,724.3	28,654.9	-3.2

⁵ The aggregate amount consists of loans to customers plus financial assets held for trading net of financial liabilities held for trading.

	31 December 2016	31 December 2015	Percentage variation
	<i>(EUR million)</i>		<i>(per cent)</i>
Net liabilities ⁶	37,683.7	37,043.8	1.7
Financial assets ⁷	68,171.5	68,597.8	- 0.6
Total assets	150,406.8	154,040.8	-2.4
Net equity	4,755.0	3,293.0	44.4
Share Capital	962.5	962.5	0.0

RECENT EVENTS

On 1 August 2017 the Board of Directors of Banca IMI approved the interim consolidated financial statements as at 30 June 2017.

The following table contains certain selected solvency indicators relating to the Issuer on a non-consolidated basis as at 30 June 2017, compared to corresponding figures as at 31 December 2016:

	30 June 2017	31 December 2016
Common Equity Tier 1 (CET1) (in EUR million)	2,886.0	2,719.2
Additional Tier 1 (AT1) (in EUR million)	1,187.6	927.3
Tier 2 (T2) (in EUR million)	-	-
Total capital (in EUR million)	4,073.6	3,646.5
Risk-weighted assets (in EUR million)	27,428.8	28,368.8
Total capital ratio	14.85%	12.85%
Total capital requirements	2,194.3	2,269.5

The regulatory capital and the capital ratios in the table above were calculated in accordance with the provisions in force since 1 January 2014, the date on which entered into force the supervisory rules following the Basel III directives.

The following table contains certain selected credit quality figures relating to the Issuer on a non-consolidated basis as at 30 June 2017, compared to corresponding figures as at 31 December 2016.

⁶ The aggregate amount consists of securities issued, due to banks, due to customers, liabilities at fair value net of due from banks.

⁷ The aggregate amount consists of financial assets held for trading plus available for sale financial assets.

	30 June 2017	31 December 2016
Gross doubtful exposures / gross exposures	0.34%	0.39%
Net doubtful exposures / net exposures	0.10%	0.15%
Gross non-performing exposures / gross exposures	4.06%	4.11%
Net non-performing exposures / net exposures	2.78%	3.02%
Non-performing exposures coverage ratio	32.64%	27.73%
Doubtful exposures coverage ratio	69.74%	61.59%
Net doubtful exposures / equity	0.67%	0.91%

The following table contains certain selected income statement and balance sheet figures on a non-consolidated basis extracted from the Issuer's unaudited interim financial statements for the six months period ending 30 June 2017, compared with corresponding figures for the financial year ending 31 December 2016 or with the six months period ending 30 June 2016.

Income Statement Figures

	30 June 2017	30 June 2016	Percentage Variation
	<i>(EUR)</i>		<i>(per cent.)</i>
Net interest income	260,340,583	270,521,861	- 3.8
Total income	760,653,632	893,490,748	- 14.9
Operating expenses	(254,686,825)	(246,479,390)	3.3
Net financial income	705,509,795	878,185,771	-19.7
Pre-tax profit from continuing operations	450,822,970	649,929,584	-30.6
Profit for the period	316,822,970	435,929,584	-27.3

Balance Sheet Figures

	30 June 2017	31 December 2016	Percentage Variation
	<i>(EUR)</i>		<i>(per cent)</i>
Net investments ⁸	28,743,348,891	27,657,745,919	3.9
Net funding ⁹	38,344,717,278	37,766,519,288	1.5
Assets under management	-	-	-

⁸ The aggregate amount consists of loans to customers plus financial assets held for trading net of financial liabilities held for trading.

⁹ The aggregate amount consists of securities issued plus due to customers plus due to banks net of due from banks.

Financial assets ¹⁰	62,394,781,661	68,104,921,704	- 8.4
Total assets	161,360,251,482	150,249,643,142	7.4
Net equity ¹¹	4,448,964,414	4,617,993,034	- 3.7
Share Capital	962,464,000	962,464,000	0

The following table contains certain selected credit quality figures relating to the Issuer on a consolidated basis as at 30 June 2017, compared to corresponding figures as at 31 December 2016.

	30 June 2017	31 December 2016
Gross doubtful exposures / gross exposures	0.34	0.39%
Net doubtful exposures / net exposures	0.10%	0.15%
Gross non-performing exposures / gross exposures	4.05%	4.09%
Net non-performing exposures / net exposures	2.77%	3.01%
Non-performing exposures coverage ratio	32.64%	27.73%
Doubtful exposures coverage ratio	69.74%	61.59%
Net doubtful exposures / equity	0.66%	0.88%

The following tables contain the composition of the gross non-performing exposure and the net non-performing exposures on a consolidated basis and include comparative figures for the six months ending 30 June 2017 and the corresponding figures for the years ending 31 December 2016 and 31 December 2015.

Gross non-performing exposures

	30 June 2017	31 December 2016	31 December 2015
	<i>(EUR thousands)</i>		
Doubtful	99,052	109,308	96,674
Unlikely to pay (*)	1,078,411	1,044,572	1,181,697
Past due exposures	8,764	-	-

Net non-performing exposures

	30 June 2017	31 December 2016	31 December 2015
	<i>(EUR thousands)</i>		

¹⁰ The aggregate amount consists of financial assets held for trading plus available for sale financial assets.

¹¹ The aggregate amount consists of reserves, share premium reserve, share capital, valuation reserves, equity instruments and interim dividends (if any) and the profit for the year.

	<i>thousands)</i>		
Doubtful	29,970	41,982	44,186
Unlikely to pay (*)	761,734	791,925	904,784
Past due exposures	7,380	-	-

(*) The introduction of the new definitions of non-performing exposures in 2015 requires to show the relevant composition on a comparative basis.

The following table contains certain selected income statement and balance sheet figures on a consolidated basis extracted from the Issuer's unaudited interim financial statements for the six months period ending 30 June 2017, compared with corresponding figures for the financial year ending 31 December 2016 or with the six months period ending 30 June 2016.

Income Statement Figures

	30 June 2017	30 June 2016	Percentage Variation
	<i>(EUR thousand)</i>		<i>(per cent)</i>
Net interest income	260,800	270,576	- 3.6
Total income	760,525	909,632	- 16.4
Net financial income	705,381	894,327	- 21.1
Operating expenses	(288,189)	(256,816)	12.2
Pre-tax profit from continuing operations	423,803	658,675	- 35.7
Profit for the period	290,413	440,559	- 34.1

Balance Sheet Figures

	30 June 2017	31 December 2016	Percentage Variation
	<i>(EUR thousand)</i>		<i>(per cent)</i>
Net investments ¹²	28,804,820	27,724,281	3.9
Net funding ¹³	38,260,656	37,683,602	1.53
Assets under management	-	-	-
Financial assets ¹⁴	62,456,253	68,171,456	- 8.38
Total assets	161,721,735	150,406,826	7.5

¹² The aggregate amount consists of loans to customers plus financial assets held for trading net of financial liabilities held for trading.

¹³ The aggregate amount consists of securities issued plus due to customers plus due to banks net of due from banks.

¹⁴ The aggregate amount consists of financial assets held for trading plus available for sale financial assets.

Net Equity ¹⁵	4,550,513	4,754,983	-4.3
Share Capital	962,464	962,464	0

OVERVIEW OF THE FINANCIAL INFORMATION

Audited Consolidated Annual Financial Statements

The annual financial information below as at and for the years ended 31 December 2016 and 31 December 2015 has been derived from the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2016 (the **2016 Annual Financial Statements**) that include comparative figures as at and for the year ended 31 December 2015. The 2016 Annual Financial Statements have been audited by KPMG S.p.A., auditors to Banca IMI S.p.A., who issued their audit report on 9 March 2017.

Interim Consolidated Financial Statements

The interim consolidated financial information below as at and for the six months ended 30 June 2017 and 30 June 2016 have been derived from the unaudited interim consolidated financial statements of the Issuer as at and for the six months ended 30 June 2017 (the **2017 Interim Consolidated Financial Statements**) that include comparative figures as at and for the six months ended 30 June 2016. The 2017 Interim Consolidated Financial Statements have been subject to limited review by KPMG S.p.A., who issued their report on 3 August 2017.

Incorporation by Reference

The annual financial statements and the interim consolidated financial information referred to above are incorporated by reference in this Prospectus (see "*Information Incorporated by Reference*"). The financial information set out below forms only part of, should be read in conjunction with and is qualified in its entirety by reference to the above-mentioned annual financial statements, together with the accompanying notes and auditors' reports.

Accounting Principles

The annual and half-yearly financial statements of the Issuer have been prepared in accordance with the accounting principles issued by the International Accounting Standards Board and the relative interpretations of the International Financial Reporting Interpretations Committee, otherwise known as International Financial Reporting Standards, as adopted by the European Union under Regulation (EC) 1606/2002. The half-yearly financial statements of the Issuer have been prepared in compliance with International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union.

CONSOLIDATED ANNUAL BALANCE SHEET

The annual financial information below includes comparative figures as at and for the years ended 31 December 2016 and 31 December 2015.

Assets	31 December 2016	31 December 2015
	<i>(EUR thousand)</i>	
Cash and cash equivalents	3	4
Financial assets held for trading	53,477,591	56,954,580

¹⁵ The aggregate amount consists of reserves, share premium reserve, share capital, valuation reserves, equity instruments and interim dividends (if any) and the profit for the year.

Assets	31 December 2016	31 December 2015
	<i>(EUR thousand)</i>	
Available-for-sale financial assets	14,693,865	11,643,236
Due from banks	53,305,542	60,923,615
Loans to customers	27,798,310	23,353,892
Hedging derivatives	154,440	203,228
Equity investments	19,560	13,324
Property and equipment	848	878
Intangible assets	285	287
Tax assets	489,371	502,230
<i>a) current</i>	<i>251,068</i>	<i>292,543</i>
<i>b) deferred</i>	<i>238,303</i>	<i>209,687</i>
Other assets	467,011	445,523
Total Assets	150,406,826	154,040,797

CONSOLIDATED ANNUAL BALANCE SHEET

The annual financial information below includes comparative figures as at and for the years ended 31 December 2016 and 31 December 2015.

Liabilities and Equity

	31 December 2016	31 December 2015
	<i>(EUR thousand)</i>	
Due to banks	60,716,591	68,073,695
Due to customers	18,989,914	16,026,878
Securities issued	11,282,639	13,866,783
Financial liabilities held for trading	53,551,620	51,653,544
Hedging derivatives	196,639	164,568
Tax liabilities	424,563	342,293
<i>a) current</i>	<i>410,436</i>	<i>325,988</i>
<i>b) deferred</i>	<i>14,127</i>	<i>16,305</i>
Other liabilities	450,312	587,215
Post-employment benefits	9,178	8,743
Provisions for risks and charges	30,387	24,074
<i>a) pensions and similar obligations</i>	<i>12</i>	<i>12</i>
<i>b) other provisions</i>	<i>30,375</i>	<i>24,062</i>

Liabilities and Equity

	31 December 2016	31 December 2015
	<i>(EUR thousand)</i>	
Fair value reserves	(131,153)	(50,076)
Equity Instruments	1,000,000	-
Reserves	1,600,694	1,573,629
Interim dividends	-	(307,988)
Share premium reserve	581,260	581,260
Share capital	962,464	962,464
Equity attributable to non-controlling interests (+/-)	-	-
Profit for the year	741,718	533,715
Total Liabilities and Equity	150,406,826	154,040,797

CONSOLIDATED ANNUAL INCOME STATEMENT

The annual financial information below includes comparative figures as at and for the years ended 31 December 2016 and 31 December 2015.

	31 December 2016	31 December 2015
	<i>(EUR thousand)</i>	
Interest and similar income	1,337,482	1,470,106
Interest and similar expense	(801,338)	(891,695)
Net interest income	536,144	578,411
Fee and commission income	599,097	488,754
Fee and commission expense	(217,026)	(230,529)
Net fee and commission income	382,071	258,225
Dividends and similar income	38,035	41,092
Profits (Losses) on trading	554,800	328,785
Profit (Losses) on hedging	(425)	7,797
Profits (Losses) on disposal or repurchase of:	150,754	184,890
<i>a) loans and receivables</i>	<i>1,481</i>	<i>(34,912)</i>
<i>b) available-for-sale financial assets</i>	<i>170,072</i>	<i>274,519</i>
<i>c) held-to-maturity investments</i>	-	-
<i>d) financial liabilities</i>	<i>(20,799)</i>	<i>(54,717)</i>
Total income	1,661,379	1,399,200

	31 December 2016	31 December 2015
	<i>(EUR thousand)</i>	
Impairment losses/reversal of impairment losses on:	(2,249)	2,942
<i>a) loans and receivables</i>	(8,572)	(421)
<i>b) available-for-sale financial assets</i>	(1,618)	(5,850)
<i>c) held-to-maturity investments</i>	-	-
<i>d) other financial assets</i>	7,941	9,213
Net financial income	1,659,130	1,402,142
Net banking and insurance income	1,659,130	1,402,142
Administrative expenses	(574,278)	(595,882)
<i>a) personnel expenses</i>	(166,029)	(162,051)
<i>b) other administrative expenses</i>	(408,249)	(433,831)
Net accruals to provision for risks and charges	(8,118)	1,700
Depreciation and net impairment losses on property and equipment	(346)	(475)
Amortisation and net impairment losses on intangible assets	(78)	(73)
Other operating income (expenses)	8,224	3,204
Operating expenses	(574,596)	(591,526)
Net gains on sales of equity investments	30,506	6,840
Pre-tax profit from continuing operations	1,115,040	817,456
Income tax expense	(373,322)	(283,741)
Post-tax profit from continuing operations	741,718	533,715
Profit for the year	741,718	533,715
Profit (loss) attributable to non-controlling interests		-
Profit attributable to the owners of the parent	741,718	533,715

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The interim consolidated financial statements below includes comparative figures for the six months ending 30 June 2017 compared with corresponding figures for the year ending 31 December 2016.

Assets	30 June 2017	31 December 2016
	<i>(EUR thousand)</i>	
Cash and cash equivalents	4	3

Assets	30 June 2017	31 December 2016
	<i>(EUR thousand)</i>	
Financial assets held for trading	48,628,038	53,477,591
Available-for-sale financial assets	13,828,215	14,693,865
Due from banks	69,378,280	53,305,542
Loans to customers	28,804,452	27,798,310
Hedging derivatives	124,952	154,440
Equity investments	16,006	19,560
Property and equipment	702	848
Intangible assets	265	285
Tax assets	331,385	489,371
<i>a) current</i>	<i>107,872</i>	<i>251,068</i>
<i>b) deferred</i>	<i>223,513</i>	<i>238,303</i>
<i>- of which as per Law no. 214/2011</i>	<i>108,549</i>	<i>115,541</i>
Other assets	609,436	467,011
Total Assets	161,721,735	150,406,826

Liabilities and Equity	30 June 2017	31 December 2016
	<i>(EUR thousand)</i>	
Due to banks	79,782,709	60,716,591
Due to customers	17,890,292	18,989,914
Securities issued	9,965,935	11,282,639
Financial liabilities held for trading	48,627,670	53,551,620
Hedging derivatives	140,500	196,639
Tax liabilities	185,258	424,563
<i>a) current</i>	<i>172,573</i>	<i>410,436</i>
<i>b) deferred</i>	<i>12,685</i>	<i>14,127</i>
Other liabilities	518,958	450,312
Post-employment benefits	8,974	9,178
Provisions for risks and charges	50,926	30,387
<i>a) pensions and similar obligations</i>	<i>13</i>	<i>12</i>
<i>b) other provisions</i>	<i>50,913</i>	<i>30,375</i>
Valuation reserves	(134,613)	(131,153)

Liabilities and Equity	30 June 2017	31 December 2016
	<i>(EUR thousand)</i>	
Equity instruments	1,200,000	1,000,000
Reserves	1,650,989	1,600,694
Interim dividends	-	-
Share premium reserve	581,260	581,260
Share capital	962,464	962,464
Equity attributable to non-controlling interests (+/-)	-	-
Profit for the year	290,413	741,718
Total Liabilities and Equity	161,721,735	150,406,826

CONSOLIDATED INTERIM INCOME STATEMENT

The consolidated interim income statement below includes comparative figures for the six months ending 30 June 2017 and the corresponding figures for the year ending 31 December 2016.

	30 June 2017	31 December 2016
	<i>(EUR thousand)</i>	
Interest and similar income	613,582	1,337,482
Interest and similar expense	(352,782)	(801,338)
Net interest income	260,800	536,144
Fee and commission income	240,721	599,097
Fee and commission expense	(82,239)	(217,026)
Net fee and commission income	158,482	382,071
Dividends and similar income	25,907	38,035
Profits (Losses) on trading	201,271	554,800
Profit (Losses) on hedging	2,968	(425)
Profits (Losses) on disposal or repurchase of:	111,097	150,754
<i>a) loans and receivables</i>	<i>2,793</i>	<i>1,481</i>
<i>b) available-for-sale financial assets</i>	<i>119,050</i>	<i>170,072</i>
<i>c) held-to-maturity investments</i>	-	-
<i>d) financial liabilities</i>	<i>(10,746)</i>	<i>(20,799)</i>
Total income	760,525	1,661,379

	30 June 2017	31 December 2016
	<i>(EUR thousand)</i>	
Impairment losses/reversal of impairment losses on:	(55,144)	(2,249)
<i>a) loans and receivables</i>	(57,054)	(8,572)
<i>b) available-for-sale financial assets</i>	(249)	(1,618)
<i>c) held-to-maturity investments</i>	-	-
<i>d) other financial assets</i>	2,159	7,941
Net financial income	705,381	1,659,130
Net banking and insurance income	705,381	1,659,130
Administrative expenses	(265,495)	(574,278)
<i>a) personnel expenses</i>	(75,480)	(166,029)
<i>b) other administrative expenses</i>	(190,015)	(408,249)
Net accruals to provision for risks and charges	(23,063)	8,118
Depreciation and net impairment losses on property and equipment	(161)	(346)
Amortisation and net impairment losses on intangible assets	(49)	(78)
Other operating income (expenses)	579	8,224
Operating expenses	(288,189)	(574,596)
Net gains on sales of equity investments	6,611	30,506
Impairment of goodwill	-	-
Pre-tax profit from continuing operations	423,803	1,115,040
Income tax expense	(133,390)	(373,322)
Post-tax profit from continuing operations	290,413	741,718
Profit for the year	290,413	741,718
Profit (loss) attributable to non-controlling interests	-	-
Profit attributable to the owners of the parent	290,413	741,718

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements below includes comparative figures for the six months ending 30 June 2017 compared with corresponding figures for the six months ending 30 June 2016.

Assets	30 June 2017	30 June 2016
	<i>(EUR thousand)</i>	

Assets	30 June 2017	30 June 2016
	<i>(EUR thousand)</i>	
Cash and cash equivalents	4	3
Financial assets held for trading	48,628,038	64,427,417
Available-for-sale financial assets	13,828,215	14,931,853
Due from banks	69,378,280	57,710,181
Loans to customers	28,804,452	29,010,159
Hedging derivatives	124,952	234,814
Equity investments	16,006	10,923
Property and equipment	702	727
Intangible assets	265	269
Tax assets	331,385	330,652
<i>a) current</i>	<i>107,872</i>	<i>131,858</i>
<i>b) deferred</i>	<i>223,513</i>	<i>198,794</i>
Other assets	609,436	742,740
Total Assets	161,721.7	167,399.7

Liabilities and Equity	30 June 2017	30 June 2016
	<i>(EUR thousand)</i>	
Due to banks	79,782,709	66,673,457
Due to customers	17,890,292	19,277,557
Securities issued	9,965,935	14,268,967
Financial liabilities held for trading	48,627,670	61,987,702
Hedging derivatives	140,500	506,097
Tax liabilities	185,258	281,633
<i>a) current</i>	<i>172,573</i>	<i>265,217</i>
<i>b) deferred</i>	<i>12,685</i>	<i>16,416</i>
Other liabilities	518,958	340,495
Post-employment benefits	8,974	9,692
Provisions for risks and charges	50,926	23,053
<i>a) pensions and similar obligations</i>	<i>13</i>	<i>12</i>
<i>b) other provisions</i>	<i>50,913</i>	<i>23,041</i>

Liabilities and Equity	30 June 2017	30 June 2016
	<i>(EUR thousand)</i>	
Valuation reserves	(134,613)	(59,767)
Equity instruments	1,200,000	500,000
Reserves	1,650,989	1,606,569
Share premium reserve	581,260	581,260
Share capital	962,464	962,464
Equity attributable to non-controlling interests (+/-)	-	-
Profit for the year	290,413	440,559
Total Liabilities and Equity	161,721,735	167,399,738

CONSOLIDATED INTERIM INCOME STATEMENT

The consolidated interim income statement below includes comparative figures for the six months ending 30 June 2017 and the corresponding figures for the six months ending 30 June 2016.

	30 June 2017	30 June 2016
	<i>(EUR thousand)</i>	
Interest and similar income	613,582	682,848
Interest and similar expense	(352,782)	(412,272)
Net interest income	260,800	270,576
Fee and commission income	240,721	274,839
Fee and commission expense	(82,238)	(127,146)
Net fee and commission income	158,482	147,693
Dividends and similar income	25,907	26,009
Profits (Losses) on trading	201,271	377,342
Profit (Losses) on hedging	2,968	(10,552)
Profits (Losses) on disposal or repurchase of:	111,097	98,564
<i>a) loans and receivables</i>	<i>2,793</i>	<i>1,384</i>
<i>b) available-for-sale financial assets</i>	<i>119,050</i>	<i>111,019</i>
<i>c) held-to-maturity investments</i>	<i>-</i>	<i>-</i>
<i>d) financial liabilities</i>	<i>(10,746)</i>	<i>(13,839)</i>
Total income	760,525	909,632
Impairment losses/reversal of impairment losses on:	(55,144)	(15,305)
<i>a) loans and receivables</i>	<i>(57,054)</i>	<i>(17,914)</i>

	30 June 2017	30 June 2016
	<i>(EUR thousand)</i>	
<i>b) available-for-sale financial assets</i>	(249)	(1,366)
<i>c) held-to-maturity investments</i>	-	-
<i>d) other financial assets</i>	2,159	3,975
Net financial income	705,381	894,327
Net banking and insurance income	705,381	894,327
Administrative expenses	(265,495)	(257,163)
<i>a) personnel expenses</i>	(75,480)	(74,042)
<i>b) other administrative expenses</i>	(190,015)	(183,121)
Net accruals to provision for risks and charges	(23,063)	(1,000)
Depreciation and net impairment losses on property and equipment	(161)	(183)
Amortisation and net impairment losses on intangible assets	(49)	(38)
Other operating income (expenses)	579	1,568
Operating expenses	(288,189)	(256,816)
Net gains on sales of equity investments	6,611	21,164
Impairment of goodwill	-	-
Pre-tax profit from continuing operations	423,803	658,675
Income tax expense	(133,390)	(218,116)
Post-tax profit from continuing operations	290,413	440,559
Profit for the year	290,413	440,559
Profit (loss) attributable to non-controlling interests	-	-
Profit attributable to the owners of the parent	290,413	440,559

8. SUBSCRIPTION AND SALE

- I. Within the Section "**Subscription and Sale**", right before the paragraph "**Public Offer Selling Restriction under the Prospectus Directive**", the following paragraph shall be added:

Prohibition of Sales to EEA Retail Investors

From 1 January 2018, unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- a) the expression "retail investor" means a person who is one (or more) of the following:
- i. a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - ii. a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - iii. not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"); and
- b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

- II. Within the Section "**Subscription and Sale**", the paragraph "**Public Offer Selling Restriction under the Prospectus Directive**", shall be amended as follows:

Prior to 1 January 2018, and from that date if the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Manager has represented and agreed that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), the Manager or, as the case may be, each Manager will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that relevant Member State (a **Public Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Public Offer, in accordance with the Prospectus Directive in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

- c) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- d) at any time in any other circumstances falling within Article 3 of the Prospectus Directive,

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

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and the expression **2010 PD Amending Directive** means Directive 2010/73/EU

9. GENERAL INFORMATION

- I. Paragraph "**Documents available**" of the Section "**General Information**" of the Base Prospectus shall be replaced by the following:

Documents Available

For so long as any Securities remain outstanding, copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the specified offices of the Principal Security Agent in Luxembourg and the registered office of the Issuer by electronic means, save that item (iii) will be available for inspection only:

- (i) the constitutional documents of the Issuer;
- (ii) the audited non-consolidated financial statements of the Issuer in respect of the financial years ended 31 December 2016 and 2015 and the audited consolidated financial statements of the Issuer in respect of the financial years ended 31 December 2016 and 2015 and the unaudited limited reviewed company condensed interim consolidated financial statement and the interim financial statements of the Issuer as at and for the sixth months ending 30 June 2017;
- (iii) the Agency Agreement and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (iv) a copy of this Base Prospectus;
- (v) any future base prospectuses, prospectuses, information memoranda, supplements and Final Terms (save that the Final Terms relating to an unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to its holding of Notes and identity) to the Base Prospectus and any other documents incorporated herein or therein by reference; and
- (vi) in the case of each issue of listed Notes subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

- II. Paragraph "**Significant or Material Adverse Change**" of the Section "**General Information**" of the Base Prospectus shall be replaced by the following:

Significant or Material Adverse Change

There has been no significant change in the financial or trading position of the Issuer since 30 June 2017 and there has been no material adverse change in the prospects of the Issuer since 31 December 2016.

- III. Paragraph "**External Auditors**" of the Section "**General Information**" of the Base Prospectus shall be replaced by the following:

External Auditors

KPMG S.p.A., with registered office at Via V. Pisani, 25, 20121 Milan, was appointed by the Issuer as its independent auditor to audit its financial statements for the period 2012-2020. KPMG S.p.A. is a member of *Assirevi-Associazione Nazionale Revisori Contabili*, the Italian association of auditing firms. KPMG S.p.A. audited the company financial statements and consolidated financial statements of the Issuer for the financial years ending 31 December 2015 and 31 December 2016, which are incorporated by reference in this Base Prospectus, and carried out a limited review of the unaudited interim consolidated financial statements of the

Issuer as at and for the six months ending on 30 June 2017, which are incorporated by reference in this Base Prospectus.

10. GENERAL

All references to pages, sections, sub-sections, paragraphs, sub-paragraphs, sentences and lines referred to in this Third Supplement are intended to be to the original unsupplemented Base Prospectus, notwithstanding any amendments described herein.

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

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

Banca IMI S.p.A.

22 February 2018

SCHEDULE 1

SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as ""Elements". These Elements are numbered in Sections A – E (A.1 – E.7).

This Summary contains all the Elements required to be included in a summary for this type of Notes and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of Notes and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

SECTION A – INTRODUCTION AND WARNINGS

Element	
A.1	<p>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms.</p> <p>Any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</p> <p>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</p> <p>Civil liability attaches to the Issuer solely on the basis of this summary, including any translation of it, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a Public Offer.</p>
	<p>[Issue specific summary:</p>
	<p>[Not Applicable – The Issuer does not consent to the use of the Base Prospectus for subsequent resales.]</p> <p>[Not Applicable - the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency).]</p> <p>[Not Applicable - the Notes are not being offered to the public as part of a Public Offer.]</p> <p><i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of Notes by the Manager(s) [, <i>[names of specific financial intermediaries listed in final terms,]</i> [and] [each financial intermediary whose name is published on the Issuer's website (http://www.bancaimi.prodottiequotazioni.com/EN) and identified as an Authorised Offeror in respect of the relevant Public Offer] [and any financial intermediary which is authorised to make such offers under the Financial Services and Markets Act 2000, as amended or other applicable legislation implementing</p>

	Directive 2004/39/EC (MiFID) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):
	"We, [insert name of financial intermediary], refer to the offer of [insert title of relevant Notes] (the Notes) described in the Final Terms dated [insert date] (the Final Terms) published by Banca IMI S.p.A. (the Issuer). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly".]
	<i>Offer period:</i> The Issuer's consent referred to above is given for Public Offers of Notes during [offer period for the Notes to be specified here] (the Offer Period).
	<i>Conditions to consent:</i> The conditions to the Issuer's consent [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; (b) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in [specify each Relevant Member State in which the particular Tranche of Notes can be offered] and (c) [specify any other conditions applicable to the Public Offer of the particular Tranche, as set out in the Final Terms].
	AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER.]

SECTION B – ISSUER

Element	
B.1	Legal and commercial name of the Issuer Banca IMI S.p.A.
B.2	Domicile / legal form / legislation / country of incorporation The Issuer is incorporated as a <i>società per azioni</i> with limited liability under the laws of the Republic of Italy. The Issuer is registered with the Companies' Register of Milan under No. 04377700150. Its registered office is at Largo Mattioli 3, 20121 Milan, with telephone number +39 02 72611.
B.4b	Trend information Not Applicable - There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for its current financial year.
B.5	Description of the Group The Issuer is a company belonging to the Intesa Sanpaolo banking group, of which Intesa Sanpaolo S.p.A. is the parent company.
B.9	Profit forecast or estimate Not Applicable - No profit forecasts or estimates have been made in the Base Prospectus.
B.10	Audit report qualifications Not Applicable - No qualifications are contained in any audit report included in the Base Prospectus.

B.12	Selected historical key financial information¹	
	The audited consolidated balance sheets and income statements as of, and for each of the years ended, 31 December 2015 and 2016 and selected unaudited income statement figures and balance sheet figures for the six months ending 30 June 2017 have been extracted without any adjustment from, and are qualified by reference to and should be read in conjunction with, the Issuer's consolidated financial statements in respect of those dates and periods:	
	<i>Audited Consolidated Balance Sheets for the year ending 31 December 2016 compared with corresponding figures for the year ending 31 December 2015</i>	
	Assets	31 December 2016 (EUR thousand)
		31 December 2015
	Cash and cash equivalents	3
	Financial assets held for trading	53,477,591
	Available-for-sale financial assets	14,693,865
	Due from banks	53,305,542
	Loans to customers	27,798,310
	Hedging derivatives	154,440
	Equity investments	19,560
	Property and equipment	848
	Intangible assets	285
	Tax assets	489,371
	<i>a) current</i>	251,068
	<i>b) deferred</i>	238,303
	Other assets	467,011
	Total Assets	150,406,826
		154,040,797
	Liabilities and Equity	31 December 2016 (EUR thousand)
		31 December 2015
	Due to banks	60,716,591
	Due to customers	18,989,914
	Securities issued	11,282,639
	Financial liabilities held for trading	53,551,620
	Financial liabilities at fair value through profit and loss	-
	Hedging derivatives	196,639
	Tax liabilities	424,563
	<i>a) current</i>	410,436
	<i>b) deferred</i>	14,127
	Other liabilities	450,312
	Post-employment benefits	9,178
	Provisions for risks and charges	30,387
	<i>a) pensions and similar obligations</i>	12
	<i>b) other provisions</i>	30,375
	Fair value reserves	(131,153)
	Equity Instruments	1,000,000
	Reserves	1,600,694
	Interim dividends	-
	Share premium reserve	581,260
	Share capital	962,464
	Equity attributable to non-controlling interests (+/-)	-
	Profit for the year	741,718
		533,715

1 As a result of the approval of the limited reviewed company condensed interim consolidated financial statements and the interim financial statements of the Issuer as at and for the six months ending 30 June 2017, this Element B.12 "Selected historical key financial information", of the Section B "Issuer" has been amended by the Third Supplement dated 22 February 2018.

Total Liabilities and Equity	150,406,826	154,040,797	
<i>Audited Consolidated Income Statements for the year ending 31 December 2016 compared with corresponding figures for the year ending 31 December 2015</i>			
	31 December 2016	31 December 2015	
	<i>(EUR thousand)</i>		
Interest and similar income	1,337,482	1,470,106	
Interest and similar expense	(801,338)	(891,695)	
Net interest income	536,144	578,411	
Fee and commission income	599,097	488,754	
Fee and commission expense	(217,026)	(230,529)	
Net fee and commission income	382,071	258,225	
Dividends and similar income	38,035	41,092	
Profits (Losses) on trading	554,800	328,785	
Profit (Losses) on hedging	(425)	7,797	
Profits (Losses) on disposal or repurchase of:	150,754	184,890	
a) <i>loans and receivables</i>	1,481	(34,912)	
b) <i>available-for-sale financial assets</i>	170,072	274,519	
c) <i>held-to-maturity investments</i>	-	-	
d) <i>financial liabilities</i>	(20,799)	(54,717)	
Total income	1,661,379	1,399,200	
Impairment losses/reversal of impairment losses on:	(2,249)	2,942	
a) <i>loans and receivables</i>	(8,572)	(421)	
b) <i>available-for-sale financial assets</i>	(1,618)	(5,850)	
c) <i>held-to-maturity investments</i>	-	-	
d) <i>other financial assets</i>	7,941	9,213	
Net financial income	1,659,130	1,402,142	
Net banking and insurance income	1,659,130	1,402,142	
Administrative expenses	(574,278)	(595,882)	
a) <i>personnel expenses</i>	(166,029)	(162,051)	
b) <i>other administrative expenses</i>	(408,249)	(433,831)	
Net accruals to provision for risks and charges	(8,118)	1,700	
Depreciation and net impairment losses on property and equipment	(346)	(475)	
Amortisation and net impairment losses on intangible assets	(78)	(73)	
Other operating income (expenses)	8,224	3,204	
Operating expenses	(574,596)	(591,526)	
Net gains on sales of equity investments	30,506	6,840	
Pre-tax profit from continuing operations	1,115,040	817,456	
Income tax expense	(373,322)	(283,741)	
Post-tax profit from continuing operations	741,718	533,715	
Profit for the year	741,718	533,715	
Profit (loss) attributable to non-controlling interests	-	-	
Profit attributable to the owners of the parent	741,718	533,715	
<i>Unaudited consolidated Income Statement Selected Figures for the six months ending 30 June 2017 compared with corresponding figures for the six months ending 30 June 2016</i>			
	30 June 2017	30 June 2016	Percentage Variation
	<i>(EUR thousand)</i>		<i>(per cent)</i>
Net interest income	260,800	270,576	- 3.6
Total income	760,525	909,632	- 16.4
Net financial income	705,381	894,327	- 21.1
Operating expenses	(288,189)	(256,816)	12.2
Pre-tax profit from continuing	423,803	658,675	- 35.7

	operations			
	Profit for the period	290,413	440,559	- 34.1
	<i>Unaudited consolidated Balance Sheet Selected Figures for the six months ending 30 June 2017 compared with corresponding figures for the year ending 31 December 2016</i>			
		30 June 2017	31 December 2016	Percentage Variation
		<i>(EUR thousand)</i>		<i>(per cent)</i>
	Net investments ²	28,804,820	27,724,281	3.9
	Net funding ³	38,260,656	37,683,602	1.53
	Assets under management	-	-	-
	Financial assets ⁴	62,456,253	68,171,456	- 8.38
	Total assets	161,721,735	150,406,826	7.5
	Net equity ⁵	4,550,513	4,754,983	- 4.3
	Share Capital	962,464	962,464	0
	No material adverse change statement			
	There has been no material adverse change in the prospects of the Issuer since 31 December 2016.			
	Significant changes in the financial or trading position ⁶			
	There has been no significant change in the financial or trading position of the Issuer since 30 June 2017.			
B.13	Events impacting the Issuer's solvency			
	Not Applicable - There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.			
B.14	Dependence upon other group entities⁷			
	The Issuer is subject to the management and co-ordination of its sole shareholder, Intesa Sanpaolo S.p.A., which is the parent company of the Intesa Sanpaolo banking group, to which the Issuer belongs.			
	In accordance to the Intesa Sanpaolo Group's 2018-2021 Business Plan (approved on 6 February 2018 by the Board of Directors of Intesa Sanpaolo S.p.A.) the Issuer will be merged into the parent company Intesa Sanpaolo S.p.A..			
B.15	Principal activities			
	The Issuer is a banking institution established under the laws of the Republic of Italy engaged in investment banking activities. The Issuer is the investment banking arm and securities firm of Gruppo			

- 2 The aggregate amount consists of loans to customers plus financial assets held for trading net of financial liabilities held for trading.
- 3 The aggregate amount consists of securities issued plus due to customers plus due to banks net of due from banks.
- 4 The aggregate amount consists of financial assets held for trading plus available for sale financial assets.
- 5 The aggregate amount consists of reserves, share premium reserve, share capital, valuation reserves, equity instruments and interim dividends (if any) and the profit for the year.
- 6 As a result of the approval of the limited reviewed company condensed interim consolidated financial statements and the interim financial statements of the Issuer as at and for the six months ending 30 June 2017, the "Significant changes in the financial or trading position", of the Section B "Issuer" has been amended by the Third Supplement dated 22 February 2018.
- 7 As a result of the approval by the Board of Directors of Intesa Sanpaolo S.p.A. of the "Intesa Sanpaolo Group's 2018-2021 Business Plan", this Element B.14 "Dependence upon other group entities", of the Section B "Issuer" has been amended by the Third Supplement dated 22 February 2018.

	Intesa Sanpaolo and it offers a wide range of capital markets, investment banking and special lending services to a diversified client base including banks, companies, institutional investors, entities and public bodies. The Issuer's business is divided into three business divisions: <i>Global Markets, Investment Banking and Structured Finance</i> .
B.16	<p>Controlling shareholders⁸</p> <p>The Issuer is a wholly-owned direct subsidiary of Intesa Sanpaolo S.p.A., the parent company of the Intesa Sanpaolo banking group.</p> <p>In accordance to the Intesa Sanpaolo Group's 2018-2021 Business Plan (approved on 6 February 2018 by the Board of Directors of Intesa Sanpaolo S.p.A.) the Issuer will be merged into the parent company Intesa Sanpaolo S.p.A..</p>
B.17	<p>Credit ratings</p> <p>The Issuer has been rated Baa1 (long-term) and P-2 (short-term) with stable outlook by Moody's Italia S.r.l. (Moody's), BBB (long-term) and A-2 (short-term) with stable outlook by S&P Global Ratings Italy S.r.l. (S&P Global) and BBB (long-term) and F2 (short-term) with stable outlook by Fitch Ratings Ltd. (Fitch).</p>
	Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Series of Notes is rated, such rating will be disclosed in the Final Terms and will not necessarily be the same as the rating assigned to the Issuer by the relevant rating agency.
	[Issue specific summary:
	The Notes [have been/are expected to be] rated [<i>specify rating(s) of Series being issued</i>] by [<i>specify rating agent(s)</i>].
	A security rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]
	[Not Applicable – No ratings have been assigned to the Issuer or its Notes at the request of or with the co-operation of the Issuer in the rating process.]]

SECTION C – NOTES

Element	
C.1	<p>Type and class of the Notes</p> <p>The Issuer may issue Notes pursuant to the Programme.</p>
	Notes may be fixed rate Notes, fixed rate reset Notes, floating rate Notes, zero coupon Notes, dual currency Notes or a combination of the foregoing.
	Notes will be issued in bearer form (Bearer Notes) or registered form (Registered Notes). Notes may be in definitive form, or may initially be represented by one or more global securities deposited with a common depository or a common safekeeper for Euroclear Bank S.A./N.V. (Euroclear) and Clearstream Banking S.A. (Clearstream, Luxembourg) and/or any other relevant clearing system. Global securities may be exchanged for definitive securities in the limited circumstances described in the relevant global security.

⁸ As a result of the approval by the Board of Directors of Intesa Sanpaolo S.p.A. of the "Intesa Sanpaolo Group's 2018-2021 Business Plan", this Element B.16 "Controlling shareholders", of the Section B "Issuer" has been amended by the Third Supplement dated 22 February 2018.

	In addition, in certain circumstances, investors may also hold interests in the Notes indirectly through Euroclear UK & Ireland Limited through the issuance of dematerialised depository interests issued, held, settled and transferred through CREST (CDIs). CDIs represent interests in the relevant Notes underlying the CDIs; the CDIs are not themselves Notes. CDIs are independent securities distinct from the Notes, are constituted under English law and transferred through CREST and will be issued by CREST Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated). CDI holders will not be entitled to deal directly in the Notes.
	The Notes shall be redeemed at par.
	The security identification number of the Notes will be set out in the relevant Final Terms.
	<i>[Issue specific summary]</i>
	Title of Notes: [●]
	Series Number: [●]
	Tranche Number: [●]
	ISIN Code: [●]
	Common Code: [●]
	Relevant Clearing Systems(s): The Notes will settle in [Euroclear and Clearstream, Luxembourg]/[●]. [The Notes will also be made eligible for CREST via the issue of CDIs.] [The Notes will initially be issued in global [bearer] [registered] form.] [The Notes will be issued in definitive registered form.] [The Notes will be consolidated and form a single series with [identify earlier Tranches] on [the Issue Date/ exchange of the Temporary Global Note for interests in the Permanent Global Note, which is expected to occur on or about [date]]]
C.2	Currency of the Notes
	Subject to compliance with all relevant laws, regulations and directives, the Notes may be denominated in any agreed currency and payments in respect of the Notes may be made in the currency of denomination of the Notes or in such currency and based on such rates of exchange, as the Issuer and the relevant Manager may agree at the time of issue of the relevant Notes.
	<i>[Issue specific summary]</i>
	The Notes are denominated in [●]. Payments of interest in respect of the Notes will be made in [●]. Payments of principal in respect of the Notes will be made in [●].
C.5	Restrictions on free transferability
	Selling restrictions apply to offers, sales or transfers of the Notes under the applicable laws in various jurisdictions. A purchaser of the Notes is required to make certain agreements and representations as a condition to purchasing the Notes.
	<i>[Issue specific summary]</i>
	Regulation S Compliance Category 2. TEFRA [C] [D] [not applicable]
C.8	Description of the rights attaching to the Notes

	<p>Status: The Notes and any relative Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.</p>
	<p>Negative pledge: The Notes do not have the benefit of a negative pledge.</p>
	<p>Deed of covenant: The Notes have the benefit of a deed of covenant dated on or around 7 July 2017.</p>
	<p>Right to interest: Notes may bear interest as determined in accordance with item C.9 below.</p>
	<p>Right to redemption: The early redemption amount or final redemption amount is determined in accordance with item C.9 below.</p>
	<p>Taxation: If the applicable Final Terms specify that Condition 7(i) is applicable to the Notes, principal and interest in respect of the Notes will be payable by the Issuer without withholding or deduction for or on account of withholding taxes imposed by the Republic of Italy or by or on behalf of any political subdivision or any authority therein having power to tax subject as provided in Condition 7(i). In the event that any deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7(i), be required to pay additional amounts to cover the amounts so deducted.</p> <p>If the applicable Final Terms specify that Condition 7(ii) is applicable to the Notes, the Issuer is not obliged to gross up any payments in respect of the Notes and shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.</p>
	<p>All payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to the Foreign Account Tax Compliance Act, as provided in Condition 4(ii).</p>
	<p>Events of Default: The terms of the Notes will contain, amongst others, the following events of default:</p> <ul style="list-style-type: none"> (e) default in payment of any principal or interest due in respect of the Notes, continuing for a specified period of time; (f) non-performance or non-observance by the Issuer of any of its other obligations under the Terms and Conditions continuing for a specified period of time; (g) the Issuer suspends its payments generally; and (h) events relating to the insolvency or winding up of the Issuer.
	<p>Meeting of Noteholders: The terms of the Notes will contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>
	<p>Governing law: English law.</p>
C.9	<p>Interest and Redemption</p> <p><i>Interest</i></p> <p>Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate or a floating rate or a combination of the foregoing. Interest on interest-bearing Notes may be paid in the</p>

currency of denomination of the Notes or, if the Notes are specified as being dual currency interest Notes, in such currencies, and based on such rates of exchange, as the Issuer and the relevant Manager may agree at the time of issue of the relevant Notes.

[Issue specific summary

[Fixed Rate Interest[s]

The Notes bear interest [from their date of issue/from [●]] to [●] at the fixed rate of [●] per cent. per annum [and from [●] to [●] at the fixed rate of [●] per cent. per annum]. The yield of the Notes is [●] per cent. Interest will be paid [●] in arrear on [●] [and [●]] in each year. The first interest payment will be made on [●].

[Fixed Rate Reset Interest[s]

The Notes bear interest [from their date of issue/from [●]] to [●] at the fixed rate of [●] per cent. per annum and from [●] to [●] (the **Reset Period**) [and each successive Reset Period thereafter] at a fixed rate of interest per annum [of [●] per cent. per annum/calculated by reference to *[describe reference rate for Notes being issued]* [plus/minus] a margin of [●] per cent]. The yield of the Notes is [●] per cent. Interest will be paid [●] in arrear on [●] [and [●]] in each year. The first interest payment will be made on [●].

[Floating Rate Interest[s]

The Notes bear interest [from their date of issue/from [●]] at [●] floating rate[s] calculated by reference to *[specify reference rate(s) or difference of reference rate(s), as applicable, for Notes being issued]* [multiplied by a rate multiplier of [●] per cent.] [plus/minus] a margin of [●] per cent. [Subject to a maximum rate of interest of [●]] [and] [subject to a minimum rate of interest of [●]]. Interest will be paid [●] in arrear on [●] [and [●]] in each year, subject to adjustment for non-business days. The first interest payment will be made on [●].

[The Notes may bear interest on a different interest basis in respect of different interest periods. The Issuer has the option of changing the interest basis between [fixed rate], [fixed reset rate] and [floating rate] in respect of different periods, upon prior notification of such change in interest basis to Noteholders.]

[Interest will be paid in *[insert payment currency]*.]

[The Notes do not bear any interest [and will be offered and sold at a discount to their nominal amount].]

Redemption

The terms under which Notes may be redeemed (including the maturity date, the price at which they will be redeemed on the maturity date, the currency of redemption and rate of exchange with the currency of denomination, as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Manager at the time of issue of the relevant Notes.

[Issue specific summary

Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [●] at [●]. [The Notes will be redeemed in *[insert payment currency]*.]

[The Notes may be redeemed early for tax reasons [or *[specify any other early redemption option applicable to the Notes being issued]*] at *[specify the early redemption price and any maximum or minimum redemption amounts, applicable to the Notes being issued]*.]

Representative of holders

	Not Applicable – No representative of the Noteholders has been appointed by the Issuer.
C.10	<p>Derivative component on interest</p> <p>[Not Applicable – The Notes do not have a derivative component in the interest payment.]</p> <p><i>[Insert if Minimum Rate of Interest and/or Maximum Rate of Interest is applicable: The Notes are characterised by a pure bond component and an implied derivative component [which is represented by [a put option on the minimum rate sold by the Issuer to the investors] [●] [and/or] [a call option on the maximum rate sold by the investor to the Issuer] [●].]</i></p>
C.11	<p>Listing and Admission to trading</p> <p>Notes issued under the Programme may be listed on the Official List of the Irish Stock Exchange and admitted to trading on the Regulated Market of the Irish Stock Exchange, or may be admitted to trading on the electronic order book for retail bonds on the London Stock Exchange's regulated market, or such other stock exchange, market or trading venue specified below, or may be issued on an unlisted basis.</p> <p>The Notes may be listed or admitted to trading, as the case may be, on such other further stock exchange(s) or market(s) or trading venue(s) in the jurisdictions indicated in the applicable Final Terms, as determined by the Issuer.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and if so, on which stock exchange(s) and/or market(s) and/or trading venue(s).</p>
	<i>[Issue specific summary:</i>
	[Application for Notes [has been] [is expected to be] made for [listing on the Official List of the Irish Stock Exchange and for admission to trading on the Regulated Market of the Irish Stock Exchange] [for admission to trading on the electronic order book for retail bonds on the London Stock Exchange's regulated market].]
	[Application for Notes [has also been] [is expected also to be] made for [listing][admission to trading][specify the market and/or trading venue(s) in Czech Republic, France, Germany, Hungary, Republic of Italy, The Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain, United Kingdom, Grand Duchy of Luxembourg, Belgium, Croatia, Denmark, Sweden, Austria, Cyprus, Greece, Malta][with effect from (or [after][around]) the Issue Date.]
	[Application may also be made by the Issuer (or on its behalf) to list the Notes on such further or other stock exchanges or regulated markets or admitted to trading on such other trading venues (including without limitation multilateral trading facilities) as the Issuer may determine.]
	[The Notes are not intended to be listed or admitted to trading.]

SECTION D – RISKS

D.2	<p>Key risks regarding the issuer</p> <p>In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to</p>

occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified a number of factors which could materially adversely affect its business and ability to make payments due under the Notes.

These factors include:

- Banca IMI's business may be adversely affected by international markets and economic conditions;
- Negative economic developments and conditions in the markets in which Banca IMI operates may adversely affect Banca IMI's business and results of operations;
- Banca IMI's business is sensitive to current adverse macroeconomic conditions in Italy;
- In accordance to the Intesa Sanpaolo Group's 2018-2021 Business Plan, Banca IMI will be merged into the parent company Intesa Sanpaolo S.p.A.. Merger transactions could cause uncertainties to business operations, particularly when unrelated companies are involved. Considering that Intesa Sanpaolo S.p.A. is the parent company of Banca IMI and that the merger takes place between two entities belonging to the same banking group, such merger is not expected to have any material adverse effects on the business of Banca IMI or the parent company;⁹
- Banca IMI's business is exposed to counterparty credit risk;
- Deterioration in Banca IMI's loan portfolio to corporate customers may affect Banca IMI's financial performance;
- Banca IMI's business is exposed to settlement risk and transfer risk;
- Banca IMI's business is exposed to market risk;
- Banca IMI's business is exposed to operational risks;
- Banca IMI's business is exposed to liquidity risk;
- Legal risks;
- Banca IMI's business is exposed to risks arising from assumptions and methodologies for assessing financial assets and liabilities measured at fair value and linked to the entry into force of new accounting principles and to the amendments to the applicable accounting principles ;
- Banca IMI's business is exposed to increasing competition in the financial services industry;
- Banca IMI's business is exposed to risks arising from the loss of key personnel;
- Banca IMI's framework for managing its risks may not be effective in mitigating risks and losses;
- Banca IMI's business is exposed to reputational risk;
- Regulatory claims may arise in the conduct of Banca IMI's business;
- Banca IMI operates within a highly regulated industry and its business and results are affected by the regulations to which it is subject including the Banking Resolution and Recovery Directive;

⁹ As a result of the approval by the Board of Directors of Intesa Sanpaolo S.p.A. of the "Intesa Sanpaolo Group's 2018-2021 Business Plan", within Element D.2 "Key risks regarding the issuer" of the Section D "Risks" this new risk factor has been added by the Third Supplement dated 22 February 2018.

	<ul style="list-style-type: none"> • Banca IMI's business performance could be affected if its capital adequacy ratios are reduced or perceived to be inadequate; • Banca IMI's business is exposed to risk of changes in tax legislation as well as to increases in tax rates; and • Banca IMI's business is exposed to risk related to transactions in financial derivatives.
D.3	Key risks regarding the Notes
	<p>There are also risks associated with specified types of Notes and with the Notes and the markets generally, including:</p> <ul style="list-style-type: none"> • <i>The Notes may not be a suitable investment for all investors</i> Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances; • <i>Risks related to the structure of a particular issue of Notes</i> A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. <ul style="list-style-type: none"> (i) <u><i>Fixed/Floating Rate Notes</i></u> Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. (ii) <u><i>The interest rate on Fixed Rate Reset Notes will reset on each Reset Date, which can be expected to affect the interest payment on an investment in Fixed Rate Reset Notes and could affect the market value of Fixed Rate Reset Notes</i></u> Fixed Rate Reset Notes will initially earn interest at the Initial Rate of Interest until (but excluding) the first Reset Date. On the first Reset Date, however, and on each Reset Date (if any) thereafter, the interest rate will be reset to a different fixed rate of interest per annum (each such interest rate, a Reset Rate of Interest). The Reset Rate of Interest for any Reset Period could be less than Initial Rate of Interest or the Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Fixed Rate Reset Notes (iii) <u><i>Risks relating to Dual Currency Notes</i></u> The Issuer may issue Dual Currency Interest Notes and/or Dual Currency Redemption Notes (together, Dual Currency Notes) where the interest and/or principal is payable in one or more currencies which may be different from the currency in which the Notes are denominated. Currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations. (iv) <u><i>Maximum/ Minimum Rate of Interest</i></u> Potential investors should consider that where the underlying interest rate does not rise above the level of the Minimum Rate of Interest, comparable investments in notes which pay interests based on a rate which is higher than the Minimum Rate of Interest are likely to be more attractive to potential investors than an investment in the Notes. Under those conditions, investors in the Notes may find it difficult to sell their Notes on the secondary market (if any) or might only be able to realise the Notes at a price which may be substantially lower than the nominal amount. To the extent a Maximum Rate of Interest applies, investors should be aware that the Interest Rate is capped at such Maximum Rate of Interest level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affects the market value of the Notes. (v) <u><i>Notes issued at a substantial discount or premium</i></u> The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

(vi) Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

(vii) Euro-system Eligibility

The European Central Bank maintains and publishes a list of assets which are recognised as eligible collateral for Eurosystem monetary and intra-day credit operations. In certain circumstances, recognition may impact on (among other things) the liquidity of the relevant assets. Recognition (and inclusion on the list) is at the discretion of the Eurosystem and is dependent upon satisfaction of certain Eurosystem eligibility criteria and rules. If application is made for any Notes to be recognised and added to the list of eligible assets, there can be no assurance that such Notes will be so recognised, or, if they are recognised, that they will continue to be recognised at all times during their life.

(viii) Calculation Agent's Discretion and Conflicts of Interest

The Calculation Agent may make certain determinations in respect of the Notes, and certain adjustments to the Terms and Conditions of the Notes, which could affect amounts of interest and/or principal payable by the Issuer in respect of the Notes. The Terms and Conditions of the Notes will specify the circumstances in which the Calculation Agent will be able to make such determinations and adjustments. In exercising its right to make such determinations and adjustments the Calculation Agent is entitled to act in its sole and absolute discretion.

- ***Risks related to Notes generally***

(i) Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The Terms and Conditions of the Notes also provide that the Agent and the Issuer may, without the consent of Noteholders, agree to (i) any modification (subject to certain specific exceptions) of the Notes or the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders or (ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of law.

(ii) Taxation

Potential purchasers and sellers of Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred and/or any asset(s) are delivered or in other jurisdictions. In addition, it is not possible to predict whether the taxation regime applicable to Notes on the date of purchase or subscription will be amended during the term of the Notes. If such amendments are made, the taxation regime applicable to the Notes may differ substantially from the taxation regime in existence on the date of purchase or subscription of the Notes.

(iii) No Gross Up in respect of Certain Series of Notes

If the applicable Final Terms specify that Condition 7(ii) is applicable, the Issuer is not obliged to gross up any payments in respect of the Notes and shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

(iv) U.S. Foreign Account Tax Compliance Withholding

The Issuer and other financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, "foreign passthru payments" (a term not yet defined) made after 31 December 2018. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "grandfathering date" which (A) with respect to Notes that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury Regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) with respect to Notes that give rise to a dividend

equivalent pursuant to Section 871(m) of the Code as discussed below (and therefore do not give rise to foreign passthru payments), is the date that is six months after the date on which obligations of their type are first treated as giving rise to dividend equivalents, or in either case are issued on or before the grandfathering date and are materially modified thereafter, and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

While the Notes are in global form and held within the clearing systems, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. FATCA also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. The Issuer's obligations under the Notes are discharged once it has paid the common depositary for the clearing systems (as bearer or registered holder of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the clearing systems and custodians or intermediaries. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA withholding. If an amount in respect of U.S. withholding tax were to be deducted or withheld from payments on the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may receive a lesser amount than expected. Holders of Notes should consult their own tax advisers for a more detailed explanation of FATCA and how FATCA may apply to payments they receive under the Notes. FATCA is particularly complex and its application to the Issuer, the Notes, and investors in the Notes are uncertain at this time. The application of FATCA to "foreign passthrough payments" on the Notes or to Notes issued or materially modified after the grandfathering date may be addressed in the relevant Final Terms or a supplement to the Base Prospectus, as applicable.

On 10 January 2014, representatives of the Governments of Italy and the United States signed an intergovernmental agreement to implement FATCA in Italy (the "IGA"). The FATCA agreement between Italy and the United States entered into force on 1st July 2014. The IGA ratification law entered into force on 8 July 2015 (Law No. 95 dated 18 June 2015, published in the Official Gazette – general series No. 155, on 7 July 2015). Under these rules, the Issuer, as a reporting financial institution, will be required to collect and report certain information in respect of its account holders and investors to the Italian tax authorities, which would automatically exchange such information periodically with the U.S. Internal Revenue Service.

Please consider that if the Issuer or any other relevant withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

(v) *Change of law*

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

(vi) *Notes where denominations involve integral multiples: definitive Notes*

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

(vii) *Reliance on Euroclear and Clearstream, Luxembourg procedures*

Notes issued under the Programme will be represented on issue by one or more Global Notes that may

be deposited with a common depository or common safekeeper for Euroclear and Clearstream, Luxembourg (see "Form of the Notes"). Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants. While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note. Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

(viii) Public offers

If Notes are distributed by means of a public offer, under certain circumstances indicated in the relevant Final Terms, the Issuer and/or other entities specified in the Final Terms may have the right to withdraw the offer, which in such circumstances will be deemed null and void according to the terms indicated in the relevant Final Terms. Furthermore, under certain circumstances indicated in the relevant Final Terms, the Issuer and/or the other entities specified in the Final Terms may have the right to postpone the closing of the offer period and, if so, the Issue Date of the Notes.

- ***Risks related to the market generally***

(i) The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

(ii) Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency or, if Dual Currency Interest and/or Dual Currency Redemption is specified as being applicable in the Final Terms, the Issuer will pay principal and/or interest on the Notes in a currency different to the Specified Currency (the Payment Currency). This presents certain risks relating to currency conversion if an investor's financial activities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency and/or, as applicable, the Payment Currency. These include the risk that exchange rates may significantly change and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal. The above risks may be increased for currencies of emerging market jurisdictions.

(iii) Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes. Investment in Floating Rate Notes involves the risk that interest rates may vary from time to time, resulting in variable interest payments to Noteholders.

(iv) Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

(v) Any decline in the credit ratings of the Issuer may affect the market value of the Notes

The credit ratings of the Issuer are an assessment of its ability to pay its obligations, including those on the Notes. Consequently, actual or anticipated declines in the credit ratings of the Issuer may affect the market value of the Notes.

- ***Legal risks***

(i) Legal investment considerations may restrict certain investments

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. Potential investors should consult with their own tax, legal, accounting and/or financial advisers before considering investing in the Notes. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

(ii) No reliance

A prospective purchaser may not rely on the Issuer, the Managers, if any, or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above. None of the Issuer, the Managers, if any, or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

• ***Risks relating to holding CREST Depository Interests***

(i) *CREST Depository Interests are separate legal obligations distinct from the Notes and holders of CREST Depository Interests will be subject to provisions outside the Notes*

Holders of CDIs (CDI Holders) will hold or have an interest in a separate legal instrument and will not be holders of the Notes in respect of which the CDIs are issued (the Underlying Notes). The rights of CDI Holders to the Notes are represented by the relevant entitlements against the CREST Depository (as defined herein) which (through the CREST Nominee (as defined herein)) holds interests in the Notes. Accordingly, rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositaries and custodians. The enforcement of rights under the Notes will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Notes in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where the Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer, including the CREST Deed Poll (as defined herein). Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual (as defined herein) and the CREST Rules (as defined herein) contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depository. CDI Holders are bound by such provisions and may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the amounts originally invested by them. As a result, the rights of, and returns received by, CDI Holders may differ from those of holders of Notes which are not represented by CDIs. In addition, CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Notes through the CREST International Settlement Links Service. Potential investors should note that none of the Issuer, the relevant Manager and the Paying Agents will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

SECTION E – OFFER

Element	
E.2b	<p>Use of proceeds</p> <p>The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.</p>
	<i>[Issue specific summary]</i>
	The net proceeds from the issue of Notes will be applied by the Issuer [for its general corporate purposes] [and] [<i>specify other</i>].
E.3	<p>Terms and conditions of the offer:</p> <p>If so specified in the relevant Final Terms, the Notes may be offered to the public in a Public Offer in one or more specified Public Offer Jurisdictions.</p>
	The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Managers at the time of issue and specified in the applicable Final Terms. Offers of the Notes are conditional on their issue. An Investor intending to acquire or acquiring any Notes in a Public Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.
	<i>Issue specific summary:</i>
	[Not Applicable - the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency.)]
	[Not Applicable - the Notes are not being offered to the public as part of a Public Offer.]
	The issue price of the Notes is [●] per cent. of their nominal amount.
	<i>[Summarise the terms of any Public Offer as set out in paragraph [●] and section [●] of Part B of the Final Terms]</i>
E.4	<p>Description of any interest of natural and legal persons involved in the issue/offer that is material to the issue/offer including conflicting interests</p> <p>The relevant Managers may be paid fees in relation to any issue of Notes under the Programme. Any such Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and their affiliates in the ordinary course of business.</p>
	<i>Issue specific summary</i>
	[Other than as mentioned above, [and save for [any fees payable to the Manager [and any other Authorised Offeror]] [●],] so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.]
E.7	<p>Expenses charged to the investor by the Issuer or an Authorised Offeror</p> <p><i>[Issue specific summary:</i></p>
	[No expenses are being charged to an investor by the Issuer [or any Authorised Offeror]. [For this specific issue, however, expenses may be charged by an Authorised Offeror (as defined above) in the range between [●] per cent. and [●] per cent. of the nominal amount of the Notes to be purchased by

	the relevant investor.][<i>Specify other</i>]
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