

FIRST SUPPLEMENT DATED 1 SEPTEMBER 2016 TO THE BASE PROSPECTUS DATED 5 JULY 2016



BANCA IMI S.p.A.
(incorporated with limited liability in the Republic of Italy)

WARRANTS AND CERTIFICATES PROGRAMME

This first supplement (the **First Supplement**) to the Base Prospectus dated 5 July 2016 (the **Base Prospectus**) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the **Prospectus Directive**) as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the **Prospectus Regulations**) and is prepared in connection with the Warrants and Certificates 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 First Supplement.

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

This First 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 First Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The language of the First 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.

Any websites referred to herein do not form part of the First Supplement.

The Issuer accepts responsibility for the information contained in this First 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 First 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 Securities to the public, investors who have already agreed to purchase or subscribe for Securities issued under the Warrants and Certificates Programme before this First Supplement, dated 1 September 2016, 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 First Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 5 September 2016.

1. PURPOSE OF THIS SUPPLEMENT

The purpose of this First Supplement is to amend certain formulas in relation to the calculation method of Proprietary Indices and, therefore, to add or amend the related definitions.

The following sections will be amended and/or updated, as the case may be and as better specified under paragraphs 2 to 4 of this First Supplement:

- Summary of the Programme;
- Annex to the Terms and Conditions of the Securities - description of Proprietary Indices; and
- Form of Final Terms.

Save as disclosed in this First 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 First 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 First 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=673&uID=4875&FIELDSORT=docId>.

2. SUMMARY OF THE PROGRAMME

- I. Element C.15 "**Description of how the value of the investment is affected by the value of the underlying instrument**" of the Section C "**Securities**" on page 17 of the Summary of the Programme in the Base Prospectus shall be updated as set out below.

As a result of the amendments made to certain formulas in relation to the calculation method of Proprietary Indices and the related definitions, Element C.15 "Description of how the value of the investment is affected by the value of the underlying instrument" of the Section C "Securities" of the "Summary of the Programme" in the Base Prospectus is no longer correct and the current information is set out in the amended "Summary of the Programme" in Schedule 1 hereto.

3. ANNEX TO THE TERMS AND CONDITIONS OF THE SECURITIES - DESCRIPTION OF PROPRIETARY INDICES

Section "Annex to the Terms and Conditions of the Securities - Description of Proprietary Indices" on page 207 of the Base Prospectus shall be replaced by the following:

The following provisions shall apply in respect of the Proprietary Index that will be set as the Underlying in the relevant Final Terms. For the avoidance of any doubt, defined terms used in this Annex shall only apply in respect of Proprietary Index Securities.

1. Strategy of the Proprietary Index

The Proprietary Index is a *Price Return Index* established and calculated by Banca IMI S.p.A.

The investment strategy is based on the allocation between a Risky Component and a Non-Risky Component based on a rule which aims to achieve a stable predefined realized volatility of the strategy itself. The targeted level of volatility is the driving element of the allocation rule.

2. Definitions

The following definitions shall be deemed inserted into Condition 3 (*Definitions*) within the section "Terms and Conditions of the Securities" in alphabetical order:

Calculation Agent means Banca IMI S.p.A.

Calculation Date means any Business Day which is also a Scheduled Fund Valuation Date starting on the Initial Calculation date (included) to the Final Calculation Date (included);

Currency of the Proprietary Index means EUR;

Component means either the Non-Risky Component or the Risky Component of the Proprietary Index;

Composition means the weight percentage of each Component as of the latest Rebalancing Date;

Cut-off Period the period of 6 consecutive Business Days starting on the Expected Final Calculation Date (included);

Disrupted Day means any day on which a Market Disruption Event, as defined in Condition 7 (*Market Disruption Events*), occurs in relation to either the Proprietary Index, or the Index Reference Fund, or the EONIA Rate;

EONIA Rate (euro overnight index average) means the rate which is a measure of the effective interest rate prevailing in the euro interbank overnight market. It is calculated by the European Central Bank (acting as the calculation entity) as a weighted average of the interest rates on unsecured overnight lending transactions denominated in euro, as reported by a panel of contributing banks. It is published on Bloomberg under the following code: <EONIA Index>;

Exchange Business Day means, in relation to the:

(A) *Proprietary Index:*

the day on which the Calculation Agent determines and publishes the Proprietary Index Level;

(B) *Index Fund:*

any day on which the Net Asset Value of the Index Fund is (or would have been if a Market Disruption Event had not occurred) determined and/or published by the Fund Manager;

(C) *EONIA Rate*:

any day on which the EONIA Rate is determined and/or published by the calculation entity;

Execution Delay or **D** means, for an Index Fund, the number of Exchange Business Days that, according to the Index Fund documentation, have to pass before a duly completed and timely submitted notice of a Hypothetical Investor requesting a subscription or redemption is processed and executed on a Fund Valuation Date at the relevant NAV;

Expected Final Calculation Date means the date specified in the applicable Final Terms, or if no Scheduled Redemption Valuation Date is occurring on such date, the immediately following Scheduled Redemption Valuation Date, which is also a Business Day;

Final Calculation Date means the Expected Final Calculation Date provided that it is not a Disrupted Day. Otherwise, the Final Calculation Date is postponed according to the provisions described below in Condition 7 (*Market Disruption Events*);

Fund Interest means an interest held by an investor in an Index Fund. The elected Fund Interest units must be denominated in EUR;

Fund Manager means the Management Company (as defined below), the director, the manager or other entity which is responsible for publishing the Net Asset Value on behalf of the Management Company;

Fund Valuation Date means, with respect to any Fund Interest, the date as of which the related Index Fund (or its Fund Manager that generally determines such value) determines the value of such Fund Interest;

Hypothetical Investor means, in respect of an Index Fund, a hypothetical investor in Fund Interests of such Index Fund deemed (a) to have the benefits and obligations, pursuant to the Index Fund documents, of an investor holding an interest in such Index Fund, (b) in the case of any deemed investment in such Fund Interests, to have submitted a duly completed and timely notice requesting a subscription for the relevant number of such Fund Interests, (c) in case of any deemed redemption of an investment in such Fund Interests, to have submitted a duly completed and timely notice requesting a redemption of the relevant number of such Fund Interests.

Index Fund means, in respect of a Fund Interest, the issuer of, or other legal arrangement giving rise to, the relevant Fund Interest. The applicable Final Terms will list, in relation to the Proprietary Index, the Index Funds that have to meet the following requirements:

- (i) qualify as an undertaking for collective investment in transferable securities within the scope of Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (e.g. Exchange Traded Funds, UCITS common funds); and
- (ii) have a daily liquidity.

Index Reference Fund means the Index Fund that, on any Calculation Date t , has been elected as the Risky Component of the Proprietary Index. At the Initial Calculation Date, the Index Reference Fund will be the Index Fund A;

Initial Calculation Date means the date specified in the applicable Final Terms or if no Scheduled Fund Valuation date is occurring on such date, the immediately following Scheduled Fund Valuation Date which is also a Business Day;

Initial Risky Component Calculation Date means the (21 + L + D)-th Fund Valuation Date preceding the Initial Calculation date (where L is the NAV Lag and D is the Execution Delay);

Level of the Non-Risky Component means the level of the Non-Risky Component determined by the Calculation Agent as follows:

- (i) in relation to the Initial Calculation Date, equal to 100; or
- (ii) in relation to any Calculation Date t ,

$$\text{Level of the Non-Risky Component}_t = \text{Level of the Non-Risky Component}_{t-1} \times (1 + \text{EONIA}_{t-1} \times \text{DD}_t/360)$$

Where:

"**Level of the Non-Risky Component $_t$** " means the Level of the Non Risky Component on the Calculation Date t ;

"**Level of the Non-Risky Component $_{t-1}$** " means the Level of the Non Risky Component on the last date prior to the Calculation Date t on which the Level of the EONIA Rate has been published;

"**EONIA $_{t-1}$** " means the level of EONIA Rate as of the last date prior to the Calculation Date t on which the EONIA Rate has been published by the relevant calculation entity,

"**DD $_t$ /360**" means the number of calendar days from the last date (excluded) prior to the Calculation Date t on which the EONIA Rate has been published and the Calculation Date t (included), divided by 360.

Lower Bound means the value specified in the applicable Final Terms;

Management Company is the entity responsible for the management of the Index Fund;

Non-Risky Component means the daily compounding of the EONIA Rate.

NAV Lag or **L** means, for an Index Fund, the number of Exchange Business Days from a certain Fund Valuation Date (excluded) to the first date (included) on which the NAV, which is the relevant NAV for that Fund Valuation Date, is available to the public before noon (for example, if the relevant NAV for date t is available on $t+1$ at 6 pm, then NAV Lag equals 2 BDs);

Proprietary Index Level means the level of the Proprietary Index either on the Initial Calculation Date or on any other Calculation Date, determined in accordance with Condition 5 (*Method and formulas of calculation*);

Rebalancing Date means either:

- (i) the Initial Calculation Date; or
- (ii) any Calculation Date t , which falls after the Initial Calculation Date but before the Calculation Date falling (L + D) Exchange Business Days before the Expected Final Calculation Date (where L is the NAV Lag and D is the Execution Delay), on which all the Volatility Rebalancing Conditions are met; or
- (iii) a Fund Substitution Date;

Redemption Valuation Date means, with respect to any Fund Interest and any Scheduled Redemption Valuation Date, the date as of which the related Index Fund (or its Fund Manager that generally determines such value) would determine the net asset value of such Fund Interest for purposes of calculating the redemption

proceeds to be paid to a Hypothetical Investor that had submitted a valid and timely notice for redemption on such date;

Relevant Price means the price per Fund Interest unit of the Index Reference Fund or of the Substitutive Fund determined by the Calculation Agent subject to those adjustments that the Calculation Agent may apply to reflect, without duplication:

- (i) such fees and costs as would be charged to the Hypothetical Investor pursuant to the relevant Index Fund documentation;
- (ii) the redemption proceeds relating to such Fund Interest in connection with a deemed redemption as of the Scheduled Redemption Valuation Date relating to the Final Calculation Date and to any Fund Substitution Date;

Risky Component means the Index Reference Fund;

Scheduled Fund Valuation Date means, with respect to any Fund Interest, a date on which the related Index Reference Fund (or its Fund Manager that generally determines the value) is scheduled, according to the Index Fund documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of such Fund Interest or of its aggregate net asset value;

Scheduled Redemption Valuation Date means, with respect to any Fund Interest, the date as of which the Index Reference Fund (or its Fund Manager that generally determines the value) is scheduled, according to its Fund documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the Index Fund to delay or refuse redemption of Fund Interests) to determine the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor;

Target Volatility Level means the level to be specified in the applicable Final Terms;

Upper Bound means the value specified in the applicable Final Terms;

Volatility Date(s) means, for each Calculation Date t , the 22 Fund Valuation Dates immediately preceding the relevant Volatility Limit Date;

Volatility Limit Date means, for each Calculation Date t the $(L + D - 1)$ -th Fund Valuation Date preceding t (where L is the NAV Lag and D is the Execution Delay).

3. Composition

The Risky Component is composed by the Index Reference Fund elected among the Index Funds listed in the applicable Final Terms. The value of the Index Reference Fund is represented by the reported value (subject to certain adjustments by the Calculation Agent) of its units as identified by the specified ISIN code. The value of the Risky Component depends therefore on the results of a hypothetical investment in the Index Reference Fund and it is subject to all the events that would affect such investment by a hypothetical investor in the Index Reference Fund. The units of the Index Reference Fund included in the Risky Component distribute no dividend.

The Non-Risky Component is the daily compounding of the EONIA Rate.

4. Fund selection and substitution

In relation to the Proprietary Index, the relevant Final Terms will list a minimum number of two Index Funds. Among those Index Funds, the Index Fund A will be elected as Index Reference Fund at the Initial Calculation Date. The other Index Fund(s) of the list may then be elected as Index Reference Fund following a Fund Exposure Event (defined as follows).

The relevant Final Terms will assign to each Index Fund the relevant label (Index Fund A, Index Fund B, etc.). For each of the labeled Index Funds, the applicable Final Terms will specify the following details:

- (i) the ISIN Code of the elected Fund Interest units;
- (ii) the full name of the Index Fund;
- (iii) the investment policy of the Index Fund;
- (iv) the Management Company or the entity that performs the net asset value calculations;
- (v) the website where the Index Fund documentation is available and freely accessible;
- (vi) the NAV Lag;
- (vii) the Execution Delay;
- (viii) the applicable calendar (for example: TARGET, Banking Days in Luxembourg etc.).

If the Calculation Agent determines that the Issuer holds more than 20% of the aggregate net asset value of the Index Reference Fund, such day shall be deemed to be the "**Fund Exposure Event Day**". On the Fund Exposure Event Day the Index Reference Fund will become the "**Substituted Fund**" and another Index Fund listed in the Final Terms will become the "**Substitutive Fund**".

The first Calculation Date following the Fund Exposure Event Day that is not a Disrupted Day for either the Substituted Fund and the Substitutive Fund (such Calculation Date, the "**Fund Substitution Date**") shall be deemed to be a Rebalancing Date and, therefore, a Rebalancing (as defined in Condition 6 below) will take place.

For the purposes of such Rebalancing:

- (i) the Proprietary Index Level is obtained using the Relevant Price of the Substituted Fund;
- (ii) the Risky Component Volatility (" σ_t ") is obtained using the Relevant Prices of the Substitutive Fund.

Starting from the first Calculation Date following the Fund Substitution Date, the Risky Component is solely comprised of the Substitutive Fund, which will become the Index Reference Fund.

5. Method and formulas of calculation

The Proprietary Index Level will be equal to $I_0 = 100$ on the Initial Calculation Date and, on any other Calculation Date t , will be determined by the Calculation Agent according to the following formula, rounded off the tenth decimal:

$$ProprietaryIndexLevel_t = ProprietaryIndexLevel_y \times \left(1 + \%RAeff_y \times \left(\frac{NAV_t}{NAV_y} - 1 \right) + \%RF_y \times \left(\frac{RF_t}{RF_y} - 1 \right) \right) - Fees_t$$

With:

$$Fees_t = I_0 \times \%Fees \times FeesYF_{y,t}$$

Where:

" t " means each Calculation Date;

"y" means the Rebalancing Date immediately preceding Calculation Date t ;

"**Proprietary Index Level $_t$** ", or " I_t ", means the closing level of the Proprietary Index on the Calculation Date t ;

"**Proprietary Index Level $_y$** ", or " I_y ", means the closing level of the Proprietary Index on the Rebalancing Date immediately preceding the Calculation Date t ;

"**NAV $_t$** " means the Relevant Price of the Index Reference Fund on Calculation Date t ;

"**NAV $_y$** " means the Relevant Price of the Index Reference Fund on the Rebalancing Date immediately preceding Calculation Date t ;

"**%RAeff $_y$** " means the Effective Risky Component Weight (as defined below) as determined on the Rebalancing Date immediately preceding Calculation Date t ;

"**RF $_t$** " means the Level of the Non-Risky Component as observed on Calculation Date t ;

"**RF $_y$** " means the Level of the Non-Risky Component on the Rebalancing Date immediately preceding Calculation Date t ;

"**%RF $_y$** " means Non-Risky Component Weight (as defined below) as determined on the Rebalancing Date immediately preceding Calculation Date t ;

"**%Fees**" means the Annual Percentage Fees specified in the applicable Final Terms;

"**FeesYF $_{y, t}$** " means the year fraction, calculated as the number of calendar days between y (included) and Calculation Date t (excluded), divided by 365;

6. Weights Determination Methodology

On each Calculation Date t , the portion of the Proprietary Index Level that is invested in the Index Reference Fund (i.e. the Risky Component) is represented by a certain number of Index Reference Fund shares valued at the relevant NAV. Such number of shares is constant between two consecutive Rebalancing Dates and it changes on each Rebalancing Date: when a Rebalancing occurs a certain number of new shares is added to the previous number of shares (old shares). In particular when the Rebalancing requires to increase the exposure to the Risky Component, the number of new shares is positive, while if the Rebalancing requires to reduce such exposure the new shares number is negative. The new shares due to a certain Rebalancing are invested/disinvested at the Relevant Price as of the corresponding Rebalancing Date. In order to determine whether Calculation Date t is a Rebalancing Date, it is necessary to compare the optimal exposure to the Risky Component $\%RA_t$ (as defined below) with $\%RAeff_y$ (as defined below), where the calculation of the optimal exposure to the Risky Component is based on the volatility of the Risky Component (given by the annualized standard deviation of its daily returns). If Calculation Date t is a Rebalancing Date new shares will be added/subtracted due to such a Rebalancing.

Based on the shares (old and new) on each Calculation Date it is possible to determine the effective exposure to the Risky Component ("**Effective Risky Component Weight**", or "**%RAeff $_t$** ") on the basis of the following formula:

$$\%RAeff_t = \frac{(OS_t + NS_t) \times NAV_t}{I_t}$$

where

"**OS $_t$** " means the number of old shares and is determined as follows:

$$OS_t = \begin{cases} 0 & \text{if } t=t_0 \\ OS_{t-1} + NS_{t-1} & \text{if } t > t_0 \end{cases}$$

where t_0 means the Initial Calculation Date;

and

" NS_t " means the number of new shares and is determined as follows:

$$NS_t = \begin{cases} \frac{I_0 \times \%RA_t}{NAV_t} & \text{if } t=t_0 \\ 0 & \text{if } t > t_0 \text{ and } t \text{ is not a Rebalancing Date} \\ \frac{I_{t-D-L} \times (\%RA_t - \%RA_{eff_y})}{NAV_t} & \text{if } t > t_0 \text{ and } t \text{ is a Rebalancing Date} \end{cases}$$

" $\%RA_t$ " or the "Optimal Risky Component Weight" is determined as of Calculation Date t according to the following formula:

$$\%RA_t = \text{Max} \left(0, \text{Min} \left(100\%, \frac{TV}{\sigma_t} \right) \right)$$

Where:

" TV " means the Target Volatility Level;

" σ_t " means the "Risky Component Volatility" and is the annualized volatility of the Risky Component, calculated as the historical volatility of the Risky Component, according to the following formula:

$$\sigma_t = \sqrt{\frac{\sum_{s=t-(21+L+D)}^{t-(L+D)} [\ln(P_s)]^2}{21}} \times 252$$

Where:

" D " means the Execution Delay;

" L " means the NAV Lag;

" s " means from $t - (21+L+D)$ to $t - (L+D)$, each of the 22 Volatility Dates immediately preceding Calculation Date ($t - D - L + 1$);

" P_s " means the daily performance of the Index Reference Fund, determined from the Initial Risky Component Calculation Date onward in accordance with the following formula:

$$P_s = \frac{NAV_s}{NAV_{s-1}}$$

For the avoidance of any doubt, with regards to the Volatility Date $s = t - (21+L+D)$, the calculation of P_s is based also on the Relevant Price of the Index Reference Fund as of date $t - (21+L+D) - 1$, which is the first Fund Valuation Date preceding the Volatility Date $s = t - (21+L+D)$.

On each Calculation Date t before the $(L + D)$ -th Calculation Date preceding the Expected Final Calculation Date a check is performed in order to determine whether the actual allocation should change or not. In particular, based on the current Optimal Risky Component Weight and on the Effective Risky Component Weight as of the latest Rebalancing Date, the allocation shall change only if both the following conditions (the "**Rebalancing Conditions**") are met:

- (i) $\frac{\%RA_{eff}_y}{\%RA_t} > UB$ or $\frac{\%RA_{eff}_y}{\%RA_t} < LB$
- (ii) none of the Calculation Dates from $[t - (D + L)]$ (excluded) to $(t - 1)$ (included) is a Rebalancing Date.

Where

"**y**" means the Rebalancing Date immediately preceding Calculation Date t ;

"**%RA_t**" means Optimal Risky Component Weight calculated on Calculation Date t ;

"**%RA_{eff,y}**" means Effective Risky Component Weight calculated on the Rebalancing Date immediately preceding Calculation Date t ;

"**UB**" is the Upper Bound;

"**LB**" is the Lower Bound.

Once the Rebalancing Conditions are satisfied, a rebalancing takes place on such Rebalancing Date with a new allocation targeting the predefined level of volatility of the Proprietary Index (a "**Rebalancing**").

On each Calculation Date t , the Non-Risky Component Weight (the "**%RF_t**") assigned is defined as:

$$\%RF_t = (100\% - \%RA_{eff}_y).$$

7. Market Disruption Events

7(1) Market Disruption Events in relation to the Index Reference Fund

Market Disruption Events means, **on a Scheduled Fund Valuation Date, or on a Scheduled Redemption Valuation Date and occurring at any time on the relevant Scheduled Fund Valuation Date or Scheduled Redemption Valuation Date, the occurrence of the following events:**

- (i) the failure to publish or determine the net asset value of the Index Reference Fund;
- (ii) any other event similar to the event set out above which makes it impossible or impracticable for the Calculation Agent to perform its duties pursuant to the Securities.

Market Disruption Events occurring on the Expected Final Calculation Date:

If the Calculation Agent determines a Market Disruption Event has occurred on the Expected Final Calculation Date, then the Expected Final Calculation Date is postponed to the next following Scheduled Redemption Valuation Date on which the Market Disruption Event ceases.

If no day that is not a Disrupted Day has occurred prior to the last day of the Cut-off Period, the last day of the Cut-off Period shall be deemed to be the Final Basket Calculation Date, notwithstanding the fact

that such day is a Disrupted Day and the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine the good faith estimate value for that Index Reference Fund.

Market Disruption Events occurring on the Initial Calculation Date:

If the Calculation Agent determines a Market Disruption Event has occurred on the Initial Calculation Date, in such case:

- (i) if the Initial Calculation Date is in advance of the Issue Date, the Initial Calculation Date shall mean the first Scheduled Fund Valuation Date on which the Market Disruption Event ceases immediately following the Initial Calculation Date originally expected. However, where a Market Disruption Event is continuing on all the Scheduled Fund Valuation Dates following the Initial Calculation Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;
- (ii) if the Initial Calculation Date is following or on the Issue Date, the Initial Calculation Date shall mean the first Scheduled Fund Valuation Date on which the Market Disruption Event ceases immediately following the Initial Calculation Date originally expected.

If, on the Initial Calculation Date, the Market Disruption Event is also continuing, the Calculation Agent, acting in good faith, will determine the net asset value of the Index Reference Fund (x) on the basis of the Market Value of the Index Reference Fund affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Index Reference Fund, or (y) pursuant to the reasonable market practice.

Market Disruption Events occurring on any Calculation Date following the Initial Calculation Date and prior to the Expected Final Calculation Date:

If the Calculation Agent determines a Market Disruption Event has occurred on any Calculation Date following the Initial Calculation Date and prior to the Expected Final Calculation Date, in such case such Disrupted Day is no longer deemed to be a Calculation Date nor a Volatility Date.

Investors will be notified of the occurrence of any Market Disruption Event, by way of a notice published on the Issuer's web site <https://www.bancaimi.prodottiequotazioni.com>.

7(2) Market Disruption Event in relation to EONIA Rate

Market Disruption Events means, **on a Scheduled Fund Valuation Date, or on a Scheduled Redemption Valuation Date and occurring at any time on the relevant Scheduled Fund Valuation Date or Scheduled Redemption Valuation Date:**

- (i) the permanent discontinuance or the failure to publish, determine, substitute the EONIA Rate, provided that if such failure is an Adjustment Event pursuant to the following 8(2), such event will be considered an Adjustment Event and not a Market Disruption Event; and
- (ii) any other event similar to the events set out above which makes it impossible or impracticable for the Calculation Agent to perform its duties pursuant to the Securities.

If the Calculation Agent determines that a Market Disruption Event has occurred, then the Calculation Agent shall identify in good faith and according to the best market practices a substitutive suitable Interest Rate for the purposes of such determination, or, in the event that no substitutive suitable Interest Rate can be validly identified, then the Exchange Business Day is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

If, on the eight Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, then the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine the official value of the EONIA Rate, using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of the EONIA Rate.

Market Disruption Events occurring on the Initial Calculation Date:

If the Calculation Agent determines a Market Disruption Event has occurred on the Initial Calculation Date, in such case the Initial Calculation Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Initial Calculation Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Initial Calculation Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

8. Adjustment Events

If an Adjustment Event has occurred and its negative effects cannot be corrected, the Issuer may: (i) apply the provisions of Market Disruption Events, or, as alternative, (ii) redeem the Securities early by paying an amount calculated on the basis of the market value of the Securities, according to the evaluations of the Calculation Agent, acting in good faith and in a commercially reasonable manner. The payment will be made in accordance with the method of calculation notified to the investor on the Issuer's website.

8(1) Adjustment Events in relation to the Index Reference Fund

Terms

"**Insolvency**" means that, by reason of voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Index Reference Fund, (i) all of the shares of that Index Reference Fund are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the shares of that Index Reference Fund become legally prohibited from transferring them.

"**Nationalization**" means that the Index Reference Fund or all or substantially all the assets of an Index Reference Fund are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Adjustment Event**" means, in relation to an Index Reference Fund, one or more of the following events:

- (a) Nationalization;
- (b) Insolvency;
- (c) the Index Reference Fund (i) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger), or (ii) makes a general assignment or arrangement with or for the benefit of its creditors, or the Index Reference Fund institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking judgement of insolvency or bankruptcy or any other similar relief, or (iii) has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other similar relief, (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee,

custodian or other similar official for it or for all or substantially all of its assets, (v) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter, or (vi) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction has an analogous effect to any of the events specified in clauses from (i) to (v) above;

- (d) the net asset value of the Index Reference Fund has decreased by an amount considered reasonably significant by the Issuer in good faith, or the Index Reference Fund has violated any leverage restriction that is applicable to, or affecting, such Index Reference Fund or its assets by operation of any law, any order or judgement of any court or other agency of government applicable to it or any of its assets, the Index Reference Fund documents or any contractual restriction binding on or affecting the Index Reference Fund or any of its assets;
- (e) (i) the resignation, termination, or replacement of its Index Reference Fund adviser or (ii) the resignation, termination, death or replacement of any key person as specified;
- (f) any change or modification of the related documents that could reasonably be expected to affect the value of such Index Reference Fund;
- (g) means any breach or violation of any strategy or investment guidelines stated in the related Index Reference Fund documents that is reasonably likely to affect the value of such Index Reference Fund or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent);
- (h) (i) cancellation, suspension or revocation of the registration or approval of the Index Reference Fund by any governmental, legal or regulatory entity with authority over such Index Reference Fund, (ii) any change in the legal, tax, accounting, or regulatory treatments of the relevant Index Reference Fund or its Index Reference Fund adviser that is reasonably likely to have an adverse impact on the value of such Index Reference Fund or on any investor therein, or (iii) the Index Reference Fund or any of its Fund Manager or Index Reference Fund adviser becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Index Reference Fund, Fund Manager or Index Reference Fund adviser;
- (i) (i) occurrence of any event affecting such Index Reference Fund that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Index Reference Fund, and such event continues for at least the foreseeable future; (ii) any failure of the Index Reference Fund to deliver, or cause to be delivered, (A) information, if any that such Index Reference Fund has agreed to deliver, or (B) information that has been previously delivered, as applicable, in accordance with such Index Reference Fund, or its authorized representative's, to monitor such Index Reference Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Index Reference Fund;
- (j) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (A) it has become illegal to hold, acquire or dispose of the interest issued or held in the Index Reference Fund, or (B) it will incur a materially increased cost in performing its obligations with respect to the interest issued or held in the Index Reference

Fund (including, without limitation, due to any increase in tax liability, decrease in tax benefit of other adverse effect on its tax position);

- (k) means that the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to any interest issued or held in the Index Reference Fund of entering into and performing its obligations with respect to the relevant Fund Security, or (ii) realize, recover or remit the proceeds of any such transaction (s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an increased cost of hedging pursuant to this clause k);
- (l) any day, a failure by the Index Reference Fund to pay the full amount (whether expressed as a percentage or otherwise) of the redemption proceeds calculated by the Calculation Agent that would be paid;
- (m) any other event affecting the economic value and, consequently, the market price of the Index Reference Fund.

Following the occurrence of an Adjustment Event pursuant to (a), (b), above in relation to an Index Reference Fund, the Issuer redeems the relevant Securities through a notice published on its website. In this case, the Issuer will pay to the Securityholders the market value of the Securities, according to the good faith determination of the Calculation Agent.

Adjustment Events pursuant to (c), (d), (e), (f), (g), (h), (i), (j), (k), (l) and (m) above shall be treated as Market Disruption Events and Condition 7(1) (*Market Disruption Events in relation to the Index Reference Fund*) shall apply.

8(2) Adjustment Events in relation to the EONIA Rate:

"**Adjustment Event**" means, in relation to the EONIA Rate, the occurrence of one or both of the following events:

- (i) the Interest Rate is no longer calculated by the relevant Entity in charge for the calculation, but by another entity which has replaced the Entity in charge of the calculation. In such case, the Settlement Amount will be determined according to the Reference Value of the Interest Rate as determined and published by the new entity, and each reference to the Entity in charge for the calculation shall be deemed as a reference, where applicable, to the new entity; and
- (ii) the Interest Rate is cancelled or replaced, and, in the reasonable opinion of the Issuer, it is not possible to determine a new Interest Rate. In such case, the Issuer and an expert appointed by the Issuer will continue to calculate and publish the Interest Rate pursuant to the previous system and to the last level calculated.

9. Publication of information

With regards to the Calculation Date t , the Proprietary Index Level will be published by the Issuer rounded off the third decimal, at the earliest, on the second Business Day succeeding t .

This delay depends on the fact that typically the Fund Manager publishes the Fund Interest unit value as of any Scheduled Fund Valuation Date on the afternoon of the Exchange Business Day immediately following such date; therefore, such information can be known and used by the Calculation Agent only on the morning of the second Business Day succeeding t .

The Issuer will publish the Proprietary Index Level on its website, www.bancaimi.prodottiequotazioni.com, at page specified in the relevant Final Terms.

Furthermore, other method of publication of the Proprietary Index Level may be specified from time to time in the applicable Final Terms.

4. FORM OF FINAL TERMS

I The item "**Type of Securities and underlying asset**" (item 6) of the section "**Form of Final Terms**" on page 261 of the Base Prospectus is amended accordingly:

6. Type of Securities and (a) The Securities are [Certificates][Warrants]. [The underlying asset: The Certificates are [Index Securities] [and] [Share Securities] [and] [Exchange Rate Securities] [and] [Interest Rate Securities] [and] [Futures Contract Securities] [and] [Commodity Securities] [and] [Fund Securities] [and] [Proprietary Index Securities] [Combined Securities].] [The Warrants are [European][American] Style Warrants.]

(b) The item(s) to which the Securities relate [is] [are] [*specify underlying asset(s) in relation to the remuneration amounts and the Cash Settlement Amount*]

[*in case of Combined Securities specify the amount(s) to which each underlying relates*]

[*in case of Basket insert:*

a Basket of [] composed as follows:

Basket Constituent	Basket Constituent Weight	Cap
[]	[]%	[]
[]	[]%	[]
[]	[]%	[]

]

[*in case of Currency Certificates insert:*

the following exchange rates:

exchange rate	Exchange Rate Weight
[]	[]%
[]	[]%
[]	[]%

]

[*in case of Interest Rate specify Calculation Entity*]

[*in case of Spread Certificates insert:*

Underlying A: []

Underlying B: []]

[*in case of Proprietary Index Securities insert, in relation*

to each Index fund:

The Proprietary Index is composed of a Non-Risky Component represented by the daily compounding of the EONIA Rate and a Risky Component represented by an Index Reference Fund elected from time to time among the following Index Funds:

Index Fund	Identifier Code (ISIN)	Index Fund Name	Annual Percentage Fees	Nav Lag	Execution Delay
Index FundA	[]	[]	[]%	[]	[]
Index FundB	[]	[]	[]%	[]	[]

The Target Volatility Level is equal to []

The Upper Bound is: []

The Lower Bound is: []

II The item "**Business Day Centre(s)**" (item 15) of the section "**Form of Final Terms**" on page 263 of the Base Prospectus is amended accordingly:

15. Business Day Centre(s): The applicable Business Day Centre[s] for the purposes of the definition of "Business Day" in Condition 3 [is/are] [].

Applicable calendar (*Only applicable in relation to Proprietary Index Securities. Delete if not applicable*): [] (*insert the applicable calendar in relation to each Index Fund*)

5. GENERAL

All references to pages, sections, sub-sections, paragraphs, sub-paragraphs, sentences and lines referred to in this First 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 First Supplement or any statement incorporated by reference into the Base Prospectus by this First 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 First 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.

1 September 2016

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 securities 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 due to the type of securities 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

A.1	<p>This summary should be read as an introduction to the Base Prospectus.</p> <p>Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
A.2	<p>[Not Applicable – The Issuer does not consent to the use of the Base Prospectus for subsequent resales.]</p> <p>Certain Tranches of Securities 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>[Consent: Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of Securities by (i) the Distributor(s), whose name(s) are listed in the applicable Final Terms and whose name(s) is(are) published on the Issuer’s website and identified as an Authorised Offeror(s) in respect of the relevant Public Offer; and/or (ii) any financial intermediary which is authorised to make such offers under the applicable legislation implementing 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):</p> <p>"We, [insert name of financial intermediary], refer to the [insert title of relevant Securities] (the "Securities") described in the Final Terms dated [insert date] (the "Final Terms") published by Banca IMI S.p.A. (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities in [specify each Relevant Member State in which the particular Tranche of Securities can be offered] (the "Offer") in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus in connection with the Offer accordingly".</p> <p>(each an "Authorised Offeror").</p> <p>Offer period: The Issuer's consent referred to above is given for Public Offers of Securities during the offer period for the Securities to be specified in the applicable Final Terms (the "Offer Period").</p> <p>Conditions to consent: 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 Securities in the Relevant Member State in which the particular Tranche of Securities can be offered, as specified in the applicable Final Terms, and (c) is valid according to any other conditions applicable to the Public Offer of the particular Tranche, as set out in the Final Terms.]</p> <p>[AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY SECURITIES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES 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.]</p>

Section B – ISSUERS AND GUARANTOR

B.1	Legal and Commercial	Banca IMI S.p.A..
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	Name of the Issuer																																																																												
B.2	Domicile/ Legal Form/ Legislation/ Country of Incorporation	The Issuer is incorporated as a società per azioni with limited liability under the laws of the Republic of Italy. Its registered office is at Largo Mattioli 3, 20121 Milan, with telephone number +39 02 72611.																																																																											
B.4b	Description of trends	<i>Not applicable.</i> 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 of the Issuer(s)	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/estimate	<i>Not applicable.</i> No profit forecasts or estimates have been made in the Base Prospectus.																																																																											
B.10	Qualifications in the audit report	<i>Not applicable.</i> No qualifications are contained in any audit report included in the Base Prospectus.																																																																											
B.12	Selected historical key information / material adverse change/ significant changes	<p>SELECTED FINANCIAL AND BALANCE SHEET FIGURES RELATING TO THE ISSUER</p> <p>The audited consolidated balance sheets and income statements as of, and for each of the years ended, 31 December 2014 and 2015 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:</p> <table border="1"> <thead> <tr> <th colspan="3"><i>Audited Consolidated Balance Sheets for the year ending 31 December 2015 compared with corresponding figures for the year ending 31 December 2014</i></th> </tr> <tr> <th></th> <th style="text-align: center;">31 December 2015</th> <th style="text-align: center;">31 December 2014</th> </tr> <tr> <td></td> <td colspan="2" style="text-align: center;"><i>(EUR thousand)</i></td> </tr> </thead> <tbody> <tr> <td>Assets</td> <td></td> <td></td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">4</td> <td style="text-align: right;">3</td> </tr> <tr> <td>Financial assets held for trading</td> <td style="text-align: right;">56,954,580</td> <td style="text-align: right;">61,620,174</td> </tr> <tr> <td>Available-for-sale financial assets</td> <td style="text-align: right;">11,643,236</td> <td style="text-align: right;">8,106,027</td> </tr> <tr> <td>Due from banks</td> <td style="text-align: right;">60,923,615</td> <td style="text-align: right;">53,979,092</td> </tr> <tr> <td>Loans to customers</td> <td style="text-align: right;">23,353,892</td> <td style="text-align: right;">22,440,904</td> </tr> <tr> <td>Hedging derivatives</td> <td style="text-align: right;">203,228</td> <td style="text-align: right;">323,864</td> </tr> <tr> <td>Equity investments</td> <td style="text-align: right;">13,324</td> <td style="text-align: right;">12,175</td> </tr> <tr> <td>Property and equipment</td> <td style="text-align: right;">878</td> <td style="text-align: right;">1,031</td> </tr> <tr> <td>Intangible assets</td> <td style="text-align: right;">287</td> <td style="text-align: right;">327</td> </tr> <tr> <td>of which:</td> <td></td> <td></td> </tr> <tr> <td>- goodwill</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Tax assets</td> <td style="text-align: right;">502,230</td> <td style="text-align: right;">455,103</td> </tr> <tr> <td>a) current</td> <td style="text-align: right;">292,543</td> <td style="text-align: right;">261,796</td> </tr> <tr> <td>b) deferred</td> <td style="text-align: right;">209,687</td> <td style="text-align: right;">193,307</td> </tr> <tr> <td>Other assets</td> <td style="text-align: right;">445,523</td> <td style="text-align: right;">454,874</td> </tr> <tr> <td>Total Assets</td> <td style="text-align: right;">154,040,797</td> <td style="text-align: right;">147,393,574</td> </tr> <tr> <td>Liabilities and Equity</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">31 December 2015</td> <td style="text-align: center;">31 December 2014</td> </tr> <tr> <td></td> <td colspan="2" style="text-align: center;"><i>(EUR thousand)</i></td> </tr> <tr> <td>Due to banks</td> <td style="text-align: right;">68,073,695</td> <td style="text-align: right;">53,046,794</td> </tr> <tr> <td>Due to customers</td> <td style="text-align: right;">16,026,878</td> <td style="text-align: right;">11,158,308</td> </tr> </tbody> </table>	<i>Audited Consolidated Balance Sheets for the year ending 31 December 2015 compared with corresponding figures for the year ending 31 December 2014</i>				31 December 2015	31 December 2014		<i>(EUR thousand)</i>		Assets			Cash and cash equivalents	4	3	Financial assets held for trading	56,954,580	61,620,174	Available-for-sale financial assets	11,643,236	8,106,027	Due from banks	60,923,615	53,979,092	Loans to customers	23,353,892	22,440,904	Hedging derivatives	203,228	323,864	Equity investments	13,324	12,175	Property and equipment	878	1,031	Intangible assets	287	327	of which:			- goodwill	-	-	Tax assets	502,230	455,103	a) current	292,543	261,796	b) deferred	209,687	193,307	Other assets	445,523	454,874	Total Assets	154,040,797	147,393,574	Liabilities and Equity				31 December 2015	31 December 2014		<i>(EUR thousand)</i>		Due to banks	68,073,695	53,046,794	Due to customers	16,026,878	11,158,308
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Securities issued	13,866,789	21,482,603
Financial liabilities held for trading	51,653,544	56,939,378
Financial liabilities at fair value through profit and loss	-	-
Hedging derivatives	164,568	463,170
Tax liabilities	342,293	364,346
<i>a) current</i>	325,988	327,905
<i>b) deferred</i>	16,305	36,441
Other liabilities	587,215	249,266
Post-employment benefits	8,743	9,780
Provisions for risks and charges	24,074	30,489
<i>a) pensions and similar obligations</i>	12	12
<i>b) other provisions</i>	24,062	30,477
Fair value reserves	(50,076)	49,105
Reserves	1,573,629	1,550,686
Share premium reserve	581,260	581,260
Share capital	962,464	962,464
Equity attributable to non-controlling interests (+/-)	-	-
Profit for the year	533,715	505,925
Total Liabilities and Equity	154,040,797	147,393,574
<i>Audited Consolidated Income Statements for the year ending 31 December 2015 compared with corresponding figures for the year ending 31 December 2014</i>		
	31 December 2015	31 December 2014
	<i>(EUR thousand)</i>	
Interest and similar income	1,470,106	2,041,034
Interest and similar expense	(891,695)	(1,323,488)
Net interest income	578,411	717,546
Fee and commission income	488,754	477,787
Fee and commission expense	(230,529)	(269,288)
Net fee and commission income	258,225	208,499
Dividends and similar income	41,092	36,550
Profits (Losses) on trading	328,785	296,232
Profit (Losses) on hedging	7,797	56
Profits (Losses) on disposal or repurchase of:	184,890	37,197
<i>a) loans and receivables</i>	<i>(34,912)</i>	<i>(16,504)</i>
<i>b) available-for-sale financial assets</i>	<i>274,519</i>	<i>188,639</i>
<i>c) held-to-maturity investments</i>	-	-
<i>d) financial liabilities</i>	<i>(54,717)</i>	<i>(134,938)</i>
Total income	1,399,200	1,296,080
Impairment losses/reversal of impairment losses on:	2,942	(125,238)
<i>a) loans and receivables</i>	<i>(421)</i>	<i>(123,807)</i>
<i>b) available-for-sale financial assets</i>	<i>(5,850)</i>	<i>(628)</i>
<i>c) held-to-maturity investments</i>	-	-
<i>d) other financial assets</i>	<i>9,213</i>	<i>(803)</i>
Net financial income	1,402,142	1,170,842
Net banking and insurance income	1,402,142	1,170,842
Administrative expenses	(595,882)	(407,281)
<i>a) personnel expenses</i>	<i>(162,051)</i>	<i>(140,636)</i>
<i>b) other administrative expenses</i>	<i>(433,831)</i>	<i>(266,645)</i>
Net accruals to provision for risks and charges	1,700	(3,000)
Depreciation and net impairment losses on property and equipment	(475)	(451)
Amortisation and net impairment losses on intangible assets	(73)	(77)
Other operating income (expenses)	3,204	3,340

		<p>Operating expenses (591,526) (407,469)</p> <p>Net gains on sales of equity 6,840 14,225</p> <p>investments</p> <p>Pre-tax profit from continuing operations 817,456 777,598</p> <p>Income tax expense (283,741) (271,673)</p> <p>Post-tax profit from continuing operations 533,715 505,925</p> <p>Profit for the year 533,715 505,925</p> <p>Profit (loss) attributable to non-controlling interests - -</p> <p>Profit attributable to the owners of the parent 533,715 505,925</p>	
		<p><i>Statements of no significant or material adverse change</i></p> <p>There has been no significant change in the financial or trading position of the Issuer since 31 December 2015 and there has been no material adverse change in the prospects of the Issuer since 31 December 2015.</p>	
B.13	Recent events impacting the Issuer's solvency	<p><i>Not applicable.</i> At the date of approval of this Prospectus there are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.</p>	
B.14	Issuer dependent upon other entities within the group	<p>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.</p>	
B.15	Description of the principal activities of the Issuer	<p>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 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</i>, <i>Investment Banking</i> and <i>Structured Finance</i>.</p>	
B.16	Control of Issuer	<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>	
Section C – SECURITIES			
C.1	Type and class of securities being offered / Security identification number	<p>The Securities are [Certificates] [Warrants].</p> <p>[The Warrants are [European Style Warrants] [American Style Warrants] The Warrants are [Call] [and] [Call Spread] [and] [Put] [and] [Put Spread] [as specified for each Series in the Annex to the Summary]].</p> <p>[The [Certificates] [Warrants] are [cash settled] [physical settled].]</p> <p>[BEARER SECURITIES</p> <p>Each Security is a [Temporary Global Security] [Permanent Global Security]. [The Temporary Global Security will be exchangeable either, in accordance with its terms, for a Permanent Global Security or for Definitive Securities.] [The Permanent Global Security will be exchangeable in limited circumstances for Definitive Securities.] Each [Temporary Global Security] [Permanent Global Security] will be held by a common depository on behalf of Euroclear and Clearstream, Luxembourg.]</p> <p>[REGISTERED SECURITIES</p> <p>Registered Securities will be represented by definitive registered certificates registered in the name of the beneficial owner thereof ("Registered Certificates") and/or a registered certificate in global form (a "Global Registered Certificate") which will be registered in the name of a nominee for a common depository for [Euroclear and Clearstream, Luxembourg] [<i>or insert other clearing system</i>]. Definitive Exchangeable Bearer Securities [will] [will not] be exchangeable for definitive Registered Securities [<i>specify details</i>]. Registered Securities will not be exchangeable for Bearer Securities or an interest therein.]</p> <p>The Securities and any non-contractual obligations arising out of or in connection with the Securities will be governed by, and shall be construed in accordance with, English Law.</p> <p>The ISIN of the [Certificates][Warrants] is [[•][specified for each Series in the Annex to the Summary]].</p>	

		[The Securities are to be consolidated and form a single series with the <i>[insert title of relevant series of Securities]</i> issued on <i>[insert issue date]</i> .]									
C.2	Currency	[The Securities are issued in [•] (the " Issue Currency ") .] [The Securities provide for a Settlement Currency that [is][may be] different from the currency in which the Issue Price was denominated (the " Dual Currency Securities ").] [The Settlement Currency is [•] [the Issue Currency or the Dual Currency, as set out in Element C.18.] <i>[In relation to Dual Currency FX Certificates specify: The Dual Currency is [•].]</i>									
C.5	Restrictions on free transferability	There are restrictions on the offer, sale and transfer of the Securities in the United States, the European Economic Area (including Ireland, Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, France, Germany, Grand Duchy of Luxembourg, Hellenic Republic, Hungary, Malta, Netherlands, Poland, Portuguese Republic, Republic of Italy, Slovak Republic, Slovenia, Spain, Sweden and United Kingdom) and Switzerland.									
C.8	Description of rights and ranking	<i>[Insert in case of Settled Securities: Each [Certificate] [Warrant] entitles its holder to receive from the Issuer on the Settlement Date the Cash Settlement Amount, where positive [and an [Early Redemption Event] has not occurred].]</i> <i>[Insert in case of Physical Settled Securities: Each [Certificate] [Warrant] entitles its holder to receive from the Issuer on the Settlement Date the Entitlement, where positive [and an Early Redemption Event] has not occurred].]</i> [The Certificates provide also for the Remuneration Amount[s] specify at Element C.18 below.] The [Certificate] [Warrant] constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and, unless provided otherwise by law, rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.									
C.11	Trading of Securities	[Application [has been][will be] made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the regulated market of the Irish Stock Exchange with effect from [or [after][around]] the Issue Date.] [Application [is expected to be made] [[has been][will be] made] by the Issuer (or on its behalf) for the Securities to be [listed on [•] <i>[specify the market in Ireland, Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, France, Germany, Grand Duchy of Luxembourg, Hellenic Republic, Hungary, Malta, Netherlands, Poland, Portuguese Republic, Republic of Italy, Slovak Republic, Slovenia, Spain, Sweden and United Kingdom]</i>] [admitted to trading on [•] <i>[specify the trading venue in Ireland, Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, France, Germany, Grand Duchy of Luxembourg, Hellenic Republic, Hungary, Malta, Netherlands, Poland, Portuguese Republic, Republic of Italy, Slovak Republic, Slovenia, Spain, Sweden and United Kingdom]</i>] with effect from [or [after][around]] the Issue Date.]									
C.15	Description of how the value of the investment is affected by the value of the underlying instrument	Underlying means [as specified for each Series in the Annex to the Summary]: <i>[in the case of Securities linked to one or more financial asset(s), [name of the Underlying [•]] [Share/ADRs/GDRs] [Index] [Commodity] [Futures Contract] [Exchange Rate] [Interest Rate] [Fund] [Proprietary Index] (the "Underlying[s]")]</i> <i>[in the case of Securities linked to a Basket, a Basket of [] (each a "Basket Constituent") composed as follows:</i> <table border="1" data-bbox="279 1527 882 1729"> <thead> <tr> <th>Basket Constituent</th> <th>Basket Constituent Weight</th> <th>[Cap]</th> </tr> </thead> <tbody> <tr> <td>[]</td> <td>[]%</td> <td>[]</td> </tr> <tr> <td>[]</td> <td>[]%</td> <td>[]</td> </tr> </tbody> </table> <i>]</i> <i>[in the case of Proprietary Index Securities, The Proprietary Index is composed of a non-risky component represented by the daily compounding of the EONIA Rate (the "Non-Risky Component") and a risky component represented by an Index Reference Fund (the "Risky Component") elected from time to time among the</i>	Basket Constituent	Basket Constituent Weight	[Cap]	[]	[]%	[]	[]	[]%	[]
Basket Constituent	Basket Constituent Weight	[Cap]									
[]	[]%	[]									
[]	[]%	[]									

following Index Funds¹:

Index Fund	Identifier Code (ISIN)	Index Fund Name	Annual Percentage Fees	Nav Lag	Execution Delay
Index FundA	[]	[]	[]%	[]	[]
Index FundB	[]	[]	[]%	[]	[]

For the purpose of the rebalancing²:

- the upper bound is equal to [] (the "**Upper Bound**") and
- the lower bound is equal to [] (the "**Lower Bound**")

The allocation of weights of the Risky Component and the Non-Risky Component will be determined on the basis of a target percentage equal to [•]% (the "**Target Volatility Level**").]

[in the case of Spread Certificates, the following two Underlyings:

- Underlying A: [name of the Underlying [•]] [Share/ADRs/GDRs] [Index] [Commodity] [Futures Contract] [Exchange Rate] [Interest Rate] [Fund] [a Basket composed of [specify basket constituents [•]] (each a Basket Constituent)]; and
- Underlying B: [name of the Underlying [•]] [Share/ADRs/GDRs] [Index] [Commodity] [Futures Contract] [Exchange Rate] [Interest Rate] [Fund] [a Basket composed of [specify basket constituents [•]] (each a Basket Constituent)] the ("**Spread**")]

[in the case of Multiperformance Certificates insert:, in relation to the calculation of [specify remuneration amount [•]] [and of] the Settlement Amount, the sum of the performances of each Underlying (the "**Cumulated Performance**") will be considered.]

[in the case of Gap Certificates insert:, in relation to the calculation of [the Premium Gap Amount[s]] [and of] the Settlement Amount, the daily performance of the Underlying on the basis of its [Reference Value][Intraday Value] (the "**Gap Daily Performance**") will be considered.]

[in the case of Buffer Protection Certificates insert:, in relation to the calculation of [specify remuneration amount [•]] [and of] the Settlement Amount, the sum of the performances of the Underlying (the "**Performance Sum**") in respect of any Performance Observation Date, will be considered.]

[[in case of Currency Certificates insert:the following exchange rates:

exchange rate	Exchange Rate Weight
[]	[]%
[]	[]%
[]	[]%

]

[in the case of Global Performance Certificates insert:, in relation to the calculation of [specify remuneration

¹ The First Supplement dated 1 September 2016 has amended certain formulas and has added or amended the relevant definitions in the section "ANNEX TO THE TERMS AND CONDITIONS OF THE SECURITIES - DESCRIPTION OF PROPRIETARY INDICES". Therefore the table relating to Proprietary Indices within this Section C.15 "Description of how the value of the investment is affected by the value of the underlying instrument" has been updated accordingly.

² The First Supplement dated 1 September 2016 has amended certain formulas and has added or amended the relevant definitions in the section "ANNEX TO THE TERMS AND CONDITIONS OF THE SECURITIES - DESCRIPTION OF PROPRIETARY INDICES". Therefore the definitions of "upper bound" and "lower bound" within this Section C.15 "Description of how the value of the investment is affected by the value of the underlying instrument" has been added accordingly.

		<p>amount [•] [and of] the Settlement Amount, the [sum][average] of the performances of the Underlying (the "Performance Sum") in respect of any Performance Observation Date, will be considered.]</p> <p>In particular, the Securities are linked to the performance of the Underlying and their value depends also on the volatility of such Underlying, [the applicable interest rates], the time from the Issue Date [and the correlation between the Basket Constituents].</p>
C.16	<p>The expiration or maturity date of the derivative securities – the exercise date or final reference date</p>	<p><u>Exercise Date</u> <i>[In the case of Warrants insert:</i> [The Securities are European Style Warrants. The Exercise Date of the Securities is [[•] [specified for each Series in the Annex to the Summary]].] [The Securities are American Style Warrants. The American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period [from [•] to [•]] [specified for each Series in the Annex to the Summary].] <i>[In the case of Certificates insert:</i> Each Certificate shall be automatically exercised on the Exercise Date. The Exercise Date is [•]. [Otherwise, they may be redeemed before the Exercise Date upon the occurrence of an Early Redemption Event.] <i>[If a Call Option/Put Option is applicable:</i> the Certificates may be redeemed also in the case of the exercise of the [Call Option by the Issuer (on [the] [a] Call Valuation Date, i.e. [•])] [or] [Put Option by the investor (on [the] [a] Put Valuation Date, i.e. [•])]. <i>[In case of Benchmark Certificates, if the Open End Feature is applicable:</i> No Exercise Date will be provided and the Certificates may only be redeemed following the exercise of the [Call Option by the Issuer (on [the] [a] Call Valuation Date, i.e. [•])] [or] [Put Option by the investor (on [the] [a] Put Valuation Date, i.e. [•])]. <u>Valuation Date</u> The Valuation Date of the Securities is [[•] [specified for each Series in the Annex to the Summary]], subject to certain adjustment provisions which will apply if it is not a scheduled trading day on which [(i) the Index Sponsor fails to publish the level of the Index,] [(ii) [(i) any relevant stock exchange fails to open for trading during its regular trading session or [(iii) [(ii) certain market disruption events have occurred.] <u>Settlement Date</u> <i>[Insert if the Securities are Cash Settled:</i> [The Settlement Date of the Securities is [•]] [The Settlement Date of the Securities is specified for each Series in the Annex to the Summary.] <i>[Insert if the Securities are Physically Settled Securities:</i> The Settlement Date of the Securities is [•].]</p>
C.17	<p>Settlement procedure</p>	<p><i>[Insert if the Securities are Cash Settled Securities:</i> The Issuer shall pay or cause to be paid the Cash Settlement Amount (if any) for each Security by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, for value on the Settlement Date, less any Expenses not already paid, such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg, as the case may be. The Issuer's obligations will be discharged by payment to, or to the order of, Euroclear or Clearstream, Luxembourg (as the case may be) of the amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular amount of the Securities must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each such payment.] <i>[Insert if the Securities are Physically Settled Securities:</i> Subject to payment of any Expenses <i>[Insert in case of Warrants: and of the Premium]</i> with regard to the relevant Securities, the relevant Issuer shall, on the Settlement Date, deliver, or procure the delivery of, the Entitlement for each Security pursuant to the details specified in a notice (the "Physical Delivery Confirmation Notice") provided by the relevant Securityholder. In the event that no valid Physical Delivery Confirmation Notice has been duly delivered at or prior to 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date in respect of a Security, the Issuer in respect of such Security shall pay or cause to be paid the Assessed Value Payment Amount by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg as soon as reasonably practicable following the determination of the Assessed Value Payment Amount. Upon payment of the Assessed Value Payment Amount as aforesaid, the Issuer's obligations in respect of such Certificate shall be discharged. The "Assessed Value Payment Amount" means an amount determined by the Calculation Agent to be the fair market value of the Relevant Assets comprised in the Entitlement in respect of the relevant Certificate, less any</p>

		<p>Expenses.]</p> <p><i>[Insert if the Securities have an option to vary settlement:</i></p> <p>Upon a valid exercise of Securities, the Issuer may, at its sole and unfettered discretion, in respect of each such Security, elect not to pay the relevant Securityholders the Cash Settlement Amount or not to deliver or procure delivery of the Entitlement to the relevant Securityholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Securityholders, as the case may be. Notification of such election will be given to Securityholders no later than 10.00 a.m. (Luxembourg time) on the second Business Day following [the Exercise Date] [the Actual Exercise Date].]</p>
C.18	<p>Description of how the return on derivative securities takes place</p>	<p style="text-align: center;">[REMUNERATION AMOUNT[S]</p> <p>The Certificates provide for the following remuneration amount[s]. <i>[For each remuneration amount specify, if applicable: The [specify remuneration amount [•]] [will cease do be due upon occurrence of a Knock-out Event, described as follows.][becomes payable after the occurrence of a Knock-in Event, described as follows.]</i></p> <p><u><i>[Knock-out Feature</i></u></p> <p>The <i>[specify remuneration amount(s) [•]]</i> eventually payable, will cease to be due and payable to the Securityholders if the value of the [Underlying] [Spread] [the Cumulated Performance] on <i>[specify the date(s) of the period and for each period if more than one: [•]]</i> (the "<i>[specify the number if more than one [•]] Knock-out Valuation Period[s]</i>") is [lower than] [higher than] [[or] equal to] <i>[specify the level of the period and for each period if more than one: [•]][%][of the Initial Reference Value]</i> (the "Knock-out Level[s]") (such event a "Knock-out Event"). [Upon the occurrence of a Knock-out Event the investor will not benefit from the payment of any further <i>[specify remuneration amount [•]]</i>.]</p> <p><u><i>[Knock-in Feature</i></u></p> <p>The <i>[specify remuneration amount(s) [•]]</i> will become payable to the Securityholders if the value of the [Underlying] [Spread] [the Cumulated Performance] on <i>[specify the date(s) of the period and for each period if more than one: [•]]</i> (the "<i>[specify the number if more than one [•]] Knock-in Valuation Period[s]</i>") is [lower than] [higher than] [[or] equal to] <i>[specify the level of the period and for each period if more than one: [•]][%][of the Initial Reference Value]</i> (the "Knock-in Level[s]") (such event a "Knock-in Event").]</p> <p style="text-align: center;">[DIGITAL AMOUNT[S]</p> <p>The Certificates provide for the Digital Amount[s].</p> <p>In particular, if the value of the [Underlying][Spread][Cumulated Performance] on <i>[specify the date(s) of the period and for each period if more than one: [•]]</i> (the "<i>[specify the number if more than one [•]] Digital Valuation Period[s]</i>"),</p> <p><i>[[If Single Level Option/Multiple Level Option is applicable insert: is [lower than] [higher than] [[or] equal to] [specify the level of the period and for each period if more than one: [•]][%][of the Initial Reference Value]] (the "Digital Level[s]"),]</i></p> <p><i>[If Range Level Option is applicable insert: falls [within] [out of] a range between [specify the level of the period and for each period if more than one: [•]][%][of the Initial Reference Value] [included][excluded] (the "Up Range Digital Level[s]") and [specify the level of the period and for each period if more than one: [•]][%][of the Initial Reference Value] [included/excluded] (the "Down Range Digital Level[s]"),]</i></p> <p><i>[If Cliquet Feature is applicable insert: is [lower than] [higher than] [[or] equal to] [specify the level of the period: [•]][%][of the Initial Reference Value]] (the "Digital Level") (provided that the Digital Level will be updated by the Calculation Agent from time to time, and the Calculation Agent will determine the Reference Value of the Underlying: (i) in relation to the relevant Digital Valuation Period or (ii) only when the Digital Event has occurred, in the relevant Digital Valuation Period),]</i></p> <p>the investor will receive the [relevant] amount (the "Digital Amount[s]"), equal to</p> <p><i>[[specify the amount(s) for the period and for each period if more than one: [•]].]</i></p> <p><i>[If Coupon Event is applicable: equal to [•] (the "Coupon Premium 1"), if the value of the [Underlying] [Spread] [the Cumulated Performance] on [specify the date(s) of the period: [•]] (the "Coupon Determination Period") is [lower than] [higher than] [[or] equal to] [•]][%][of the Initial Reference Value] (the "Coupon Level") (such event a "Coupon Event"). Otherwise, if the Coupon Event does not occur, the Digital Amount[s] will be equal to [•] (the "Coupon Premium 2").]</i></p> <p>[In relation to the Digital Amount[s], the following effect[s] [applies][apply]:</p> <p style="text-align: center;"><i>[Consolidation Effect</i></p> <p>If the value of the [Underlying][Spread][Cumulated Performance] on <i>[specify the date(s) of the period and for</i></p>

each period if more than one: [•] (the "[specify the number if more than one [•]] Consolidation Valuation Period[s]") is [lower than] [higher than] [[or] equal to] [specify the level of the period and for each period if more than one: [•][%][of the Initial Reference Value]] (the "Consolidation Level[s]"), the Digital Event will automatically occur without further determinations for all the Digital Valuation Periods following the occurrence of the [relevant] Consolidation Valuation Period.]

[Memory Effect

If the value of the [Underlying][Spread][Cumulated Performance] on [specify the date(s) of the period and for each period if more than one: [•]] (the "[specify the number if more than one [•]] Memory Valuation Period[s]") is [lower than] [higher than] [[or] equal to] [specify the level of the period and for each period if more than one: [•][%][of the Initial Reference Value]] (the "Memory Level[s]"), the investor will receive the previously unpaid Digital Amount[s] [(except where such Digital Amount[s] [was][were] already paid due to the occurrence of a Memory Effect in a previous Memory Valuation Period).]

[Path Dependency Effect

The Digital Amount increase in relation to each Digital Valuation Period. Such increase will depend on the occurrence of the Digital Events in the previous Digital Valuation Periods. In particular, the increase will be calculated as the product of (i) [•] (the "Path Dependency Amount") and (ii) the number of the Digital Events that have occurred from the first Digital Valuation Period (included) until the Digital Valuation Period on which such Digital Amount is calculated.]

[ACCUMULATOR AMOUNT[S]

The Certificates provide for the Accumulator Amount[s].

In particular, the investor will be entitled to receive, in relation to the following period[s]: [specify the date(s) of the period and for each period if more than one: [•]] (the "[specify the number if more than one [•]] Accumulator Valuation Period[s]"), the [relevant] amount (the "Accumulated Amount"), that will be equal to the product between an amount, equal to [specify the amount(s) for each period if more than one: [•]] (the "Accumulator Amount[s]"), and the number of Accumulator Events (as defined below) occurred during the [relevant] Accumulator Valuation Period. The Accumulated Amount will be determined, in relation to [each] Accumulator Valuation Period, on the following date[s]: [specify the date of the period and for each period if more than one: [•]] (the "[specify the number if more than one [•]] Accumulated Valuation Date[s]").

The occurrence of the Accumulator Event[s] will be contingent upon the value of the [Underlying][Spread][Cumulated Performance] on the [relevant] Accumulator Valuation Period [being [lower than][higher than][or]equal to] [specify the level of the period and for each period if more than one: [•][%][of the Initial Reference Value]] (the "Accumulator Level[s]"), [falls [within] [out of] a range between [specify the level of the period and for each period if more than one: [•][%][of the Initial Reference Value]] [included][excluded] (the "Up Range Accumulator Level[s]") and [specify the level of the period and for each period if more than one: [•][%][of the Initial Reference Value]] [included/excluded] (the "Down Range Accumulator Level[s]").]

[PLUS AMOUNT[S]

The Certificates provide for the unconditional payment of the Plus Amount[s], that [is][are] not linked to the performance of the Underlying. The Plus Amount[s] is equal to [specify the amount(s) for each payment date if more than one: [•]], and will be paid on the following date[s]: [specify the date(s): [•]] (the "[specify the number if more than one [•]] Plus Payment Date[s]").]

[INTERNAL RETURN AMOUNT[S]

The Certificates provide for the Internal Return Amount[s].

In this case, the Internal Return Amount, which is [IRA Compound] [IRA Simple], will be linked to the performance of the Underlying and calculated on such performance which is annualised in relation to the following date[s]: [specify the date(s): [•]] (the "[specify the number if more than one [•]] Annual Valuation Date[s]"). [if a IRA Cap is applicable: in addition, the Internal Return Amount[s] will be subject to a maximum amount represented by the IRA Cap, i.e. [•]].]

[PARTICIPATION REMUNERATION AMOUNT[S]

The Certificates provide for the Participation Remuneration Amount[s].

The Participation Remuneration Amount consists of an amount determined on the following date[s]: [specify the date(s): [•]] (the "[specify the number if more than one [•]] Participation Valuation Date[s]"), which is linked to the [positive (i.e. it increases if the performance is positive and it is equal to zero if such performance is negative)][negative (i.e. such remuneration increases if the performance is negative and it is equal to zero if the performance is positive)] performance of the [Underlying][Spread] during the following period[s]: [specify the date(s) of the period and for each period if more than one: [•]] (the "[specify the number if more than one [•]]

Participation Valuation Period[s]). *[If a Cap is applicable: The Participation Remuneration Amount[s] will not be higher than equal to [•]% [of the Initial Reference Value] (the "Cap").]*

[In relation to the Participation Remuneration Amount[s], the following feature[s] [applies][apply]:

[Participation Rebate Feature

If the value of the [Underlying][Spread] on the following period[s]: *[specify the date(s) of the period and for each period if more than one: [•]]* (the "*[specify the number if more than one [•]] Participation Rebate Valuation Period[s]*"), is [lower than] [higher than] [[or] equal to] *[specify the level of the period and for each period if more than one: [•]% [of the Initial Reference Value]]* (the "**Participation Rebate Level[s]**"), (such event a "**Participation Rebate Event**"), the investor will receive the amount[s] equal to *[specify the amount(s) in relation to each period if more than one: [•]]* (the "**Participation Rebate Amount[s]**") following the Participation Rebate Valuation Period on which the Participation Rebate Event has occurred. Otherwise, if a Participation Rebate Event has not occurred during a Participation Rebate Valuation Period, the Certificates will pay the [relevant] Participation Remuneration Amount.

[Net Profit Feature

The sum of the *[specify remuneration amount [•]]* already paid prior to [each] [the] [Participation Valuation Date] will be deducted from the Participation Remuneration Amount to be paid, provided that the resulting amount cannot be lower than zero.]

[PREMIUM GAP AMOUNT[S]

Gap Certificates provide for the payment of the Premium Gap Amount[s].

Such amount[s] may vary depending on the occurrence of a Barrier Gap Event. The Barrier Gap Event occurs if the Gap Daily Performance on the following period[s]: *[specify the date(s) of the period and for each period if more than one: [•]]* (the "*[specify the number if more than one [•]] Barrier Gap Observation Period[s]*"), is [lower than] [higher than] [[or] equal to] *[specify the level of the period and for each period if more than one: [•]% [of the Initial Reference Value]]* (the "**Barrier Gap Level[s]**"), (such event a "**Barrier Gap Event**"). The date on which the Barrier Gap Event has occurred is the "**Barrier Gap Event Date**".

After the occurrence of the Barrier Gap Event:

- The Premium Gap Amount[s] will be determined on the basis of the actual number of days within the [relevant] Premium Gap Observation Period and not on the basis of all the days of the [relevant] Premium Determination Period and
- [after the payment of the Premium Gap Amount that will be paid on the payment date following the Barrier Gap Event Date on which a Barrier Gap Event has occurred, no further Premium Gap Amount will be paid to the investors.]

The Premium Determination Period[s] [is][are] the following: *[specify the date(s) of the period and for each period if more than one: [•]]* [(the "*[specify the number if more than one [•]] Premium Determination Period[s]*")].

[Each] [The] Premium Gap Observation Period will be the period from the initial date of the [relevant] Premium Determination Date [included][excluded], to the [relevant] Barrier Gap Event Date [included][excluded]. If the Barrier Event has not occurred the Premium Gap Observation Period will coincide with the [relevant] Premium Determination Period.

[Specify the determination method for each Premium Determination Method: The determination method of the Premium Gap Amount [in relation to the [•] Premium Determination Period] is:

[FLOATING PREMIUM: the investor will receive a Premium Gap Amount linked to a percentage equal to [•] (the "**Premium Percentage**") of the [•] [EURIBOR] [LIBOR][CMS Rate][EONIA Rate] [[+/-][•] (the "**Premium Margin**"). Such amount shall be calculated on the basis of the number of days during of the [relevant] Premium Gap Observation Period, according to the day count fraction [ACT/360][Actual/Actual].]

[FIXED PREMIUM: the investor will receive a Premium Gap Amount linked to a percentage equal to [•] (the "**Premium Percentage**"). Such amount shall be calculated on the basis of the number of days during of the [relevant] Premium Gap Observation Period, according to the day count fraction [ACT/360][Actual/Actual].]

[DIFFERENCE IN RATES: the investor will receive a Premium Gap Amount linked to a percentage equal to [•] (the "**Premium Percentage**") of the difference between *[specify the relevant Reference Rate 1 which can be a Reference Entity [•]]* and *[specify the relevant Reference Rate 2 which can be a Reference Entity [•]]*, provided that if such amount is less than zero, it shall be deemed to be zero. Such amount shall be calculated on the basis of the number of days during of the [relevant] Premium Gap Observation Period, according to the day count fraction [ACT/360][Actual/Actual].]

[EARLY REDEMPTION AMOUNT[S]

The Certificates provide the possibility of an automatic early redemption if an Early Redemption Event has

occurred.
 [In particular, if the [Reference Value] [Intraday Value] of the Underlying[s] [Spread] [Cumulated Performance] in relation to [specify the date(s) of the period and for each period if more than one: [•]] [(the "[specify the number if more than one [•]] **Early Redemption Valuation Period[s]**") is [specify in relation to each period if different: [lower than] [higher than] [[or] equal to] the Early Redemption Level] [and][or] [has been, at least once during the [relevant] Early Redemption Valuation Period, [lower than] [higher than] [[or] equal to] the Early Redemption Level] [and][or] [has never been during the [relevant] Early Redemption Valuation Period [lower than] [higher than] [[or] equal to] the Early Redemption Level], equal to [specify the level of the period or the different levels for the same period and for each period if more than one: [•]][%][of the Initial Reference Value], the certificate will be automatically redeemed and the Securityholder will receive on the [relevant] Early Payment Date, i.e. [•], the payment of the [relevant] amount, [equal to to [specify the amount(s) in relation to each period if more than one: [•]] (the "**Early Redemption Amount[s]**") [In the case the Coupon Event is applicable: equal to [•] (the "**Coupon Premium 1**"), if the value of the [Underlying] [Spread] [the Cumulated Performance] on [specify the date(s) of the period: [•]] (the "**Coupon Determination Period**") is [lower than] [higher than] [[or] equal to] [•]][%][of the Initial Reference Value] (the "**Coupon Level**") (such event a "**Coupon Event**"). Otherwise, if the Coupon Event does not occur, the Early Redemption Amount[s] will be equal to [•] (the "**Coupon Premium 2**").]]

[Insert if the Intraday Value is applicable: For the purposes of determining the occurrence of an Early Redemption Event the Intraday Value will be determined [in relation to each Basket Constituent[s]] on the basis of [the official level published by the Index Sponsor] [the official price [traded][quoted] on the relevant Reference Source] [the Exchange Rate value quoted on [insert any over-the-counter or quotation-based market]] [the Interest Rate value] [the Net Asset Value] [insert other determination method] as continuously observed on each Exchange Business Day during the Early Redemption Valuation Period by the Calculation Agent on the [specify the relevant Electronic Page(s)].]

[In particular, if the Accumulated Amount[s] payable on the [relevant] Accumulated Valuation Date is [lower than][higher than][or][equal to] the [relevant] [specify the amount(s) in relation to Accumulated Valuation Date if more than one: [•]] (the "**Accumulator Autocallable Trigger**"), the certificate will be automatically redeemed and the Securityholder will receive on the [relevant] Early Payment Date, i.e. [•], the payment of the [relevant] amount, equal to [specify the amount(s) in relation to each period if more than one: [•]] (the "**Early Redemption Amount[s]**").]

CASH SETTLEMENT AMOUNT

The Securityholder will receive on the Settlement Date [if an Early Redemption Event has not occurred] for each Minimum Exercise [Amount][Number] [specified for each Series in the Annex to the Summary] [Insert in the case of Cash Settled Certificates: the payment of the Cash Settlement Amount (if positive)] [Insert in the case of physical settled Certificates: the Entitlement, being the quantity of [specify relevant assets] (the "**Relevant Assets**") determined as follows [Insert In the event of Non Quanto Certificates , provided that, since the Underlying Reference Currency is different from the Settlement Currency, the Cash Settlement Amount will be exchanged into the Settlement Currency at the applicable Exchange Rate.]

CALCULATION METHOD IN THE CASE OF [POSITIVE] [AND] [NEGATIVE] PERFORMANCE OF THE UNDERLYING [(**BARRIER EVENT**) (**BARRIER GAP EVENT**) NOT OCCURRED]

[STANDARD [LONG][SHORT] CERTIFICATES

The investor will receive an amount linked to a percentage of the Initial Reference Value, equal to [•] (the "**Initial Percentage**").]

[MAX [LONG] [SHORT] [CAP] CERTIFICATES

[The investor will receive a percentage of the invested capital equal to [•] with the possibility to participate to the [increasing] [decreasing] performance of the Underlying depending on a percentage of the invested capital equal to [•] (the "**Participation Factor**").] [The Cash Settlement Amount will not exceed the Cap Level, equal to [•].] [If the Restrike Feature is applicable insert: Upon the occurrence of a Restrike Event, which occurs if, on [specify the date(s) of the period and for each period if more than one: [•]] [(the "[specify the number if more than one [•]] **Restrike Observation Period[s]**")], the Reference Value is [higher than] [lower than] [[or] equal to [•] of the Initial Reference Value (the "**Restrike Level**"), [Insert in the case of Cap Style 1: the Initial Reference Value will be automatically set at a percentage of the Initial Reference Value which is equal to the Restrike Percentage, equal to [•]. All the values that depend on the Initial Reference Level will be consequently amended.][Insert in the case of Cap Style 2: the Cap Level will not be taken into consideration for the purposes of the Cash Settlement

Amount.]]

[TYPE A SPREAD CERTIFICATES

The investor will receive an amount linked to the average between: (i) a percentage of the Initial Reference Value of the Underlying A equal to [•] [[+/-] [•]] and (ii) a percentage of the Initial Reference Value of the Underlying B equal to [•] [[+/-] [•]], multiplied by the relevant multipliers.]

[TYPE B [CAP] SPREAD CERTIFICATES

The investor will receive (1) an amount linked to the average between (i) a percentage of the Initial Reference Value of the Underlying A equal to [•] [[+/-] [•]] and (ii) a percentage of the Initial Reference Value of the Underlying B equal to [•] [[+/-] [•]], multiplied by the relevant multipliers and (2) an amount linked to a percentage of the Spread equal to [•] (the "**Participation Factor**"). [In any case, the Cash Settlement Amount will not be higher than the CAP, equal to [•].]]

[TYPE C [CAP] SPREAD CERTIFICATES

a. If the Spread [[+/-] [•]] is higher than or equal to 0:

In this case, the investor will receive an amount that will depend on the Participation Factor, equal to [•] multiplied by the Spread [[+/-] [•]] [, but it will not be higher than [•] (the "**Cap Amount**").]

b. If the Spread [[+/-] [•]] is lower than 0:

In this case, the investor will receive an amount that will depend on the Down Participation Factor, equal to [•] multiplied by the Spread [[+/-] [•]] [, but it will not be lower than [•] (the "**Protection Amount**").]

[TWIN WIN [CAP] CERTIFICATES

a. If the Final Reference Value is higher than or equal to the Initial Reference Value, multiplied by the Strike Percentage (equal to [•]):

In this case, the investor will receive the capital invested plus an amount linked to the performance of the Underlying multiplied by a percentage equal to [•] (the "**Participation Factor**"). [In any case, the Cash Settlement Amount will not be higher than the CAP, equal to [•].]

b. If the Final Reference Value is lower than the Initial Reference Value, multiplied by the Strike Percentage (equal to [•]) (and the Barrier Event, if applicable, has not occurred):

In this case, the investor will receive the capital invested plus an amount linked to the performance of the Underlying, multiplied by a percentage equal to [•] (the "**Down Participation Factor**"). [In any case, the Cash Settlement Amount will not be higher than the Cap Down Amount, equal to [•].]]

[BENCHMARK [LONG] [SHORT] CERTIFICATES

[The investor will be exposed to the performance of the Underlying. As a result, on the Settlement Date, the investor will receive an amount, if positive, equal to the Final Reference Value multiplied by the Multiplier][The exposure of the investor will be inversely proportioned to the performance of the Underlying, therefore the investor will receive an amount, if positive, equal to the difference between the Strike Price, equal to [•], and the Final Reference Value, multiplied by the Multiplier] [net of [the Annual Management Fee, which will be calculated on the basis of a percentage equal to [•] (the "**AMF Percentage**") [the Variable Management Fee, which will be calculated on the basis of a percentage equal to [•] (the "**AMF Percentage**") and on the basis of a percentage equal to [•] (the "**VMF Percentage**")]]] [*Insert in the case of physically settled Certificates: the Entitlement, being the quantity of [specify relevant assets] (the "**Relevant Assets**")].*

[OUTPERFORMANCE [LONG] [SHORT] [CAP] CERTIFICATES

a. If the Final Reference Value is equal to or higher than the Initial Reference Value:

In this case, the investor will receive a Cash Settlement Amount, if positive, linked to the performance of the Underlying, depending on a percentage equal to [•] (the "**Up Participation Factor**"). [The Cash Settlement Amount will not exceed the Cap Level, equal to [•].]

b. If the Final Reference Value is lower than the Initial Reference Value:

In this case, the investor will receive a Cash Settlement Amount, if positive, linked to the performance of the Underlying, depending on a percentage equal to [•] (the "**Down Participation Factor**").]

[BUFFER PROTECTION CERTIFICATES]

[The Cash Settlement Amount will depend on whether a Buffer Event has occurred. In particular, the Buffer Event will occur if on [•] (the "**Buffer Valuation Date[s]**"), the Performance Sum is [lower than] [higher than] [[or] equal to] [•] (the "**Buffer Percentage**").]

a. If the Buffer Event has not occurred during the life of the Certificates:

In this case, the investor will receive an amount linked to a percentage of the Initial Reference Value equal to [•].

b. If the Buffer Event has occurred during the life of the Certificates

In this case, the investor will receive in any case at least a percentage of the Issue Price equal to [•] (the "**Protection Percentage**"), with the possibility to receive a higher amount which will depend on the Performance Sum and on the Buffer Percentage.]

[GLOBAL PERFORMANCE [CAP] CERTIFICATES]

[The investor will receive in any case at least a percentage of the Issue Price equal to [•] (the "**Protection Percentage**"), with the possibility to receive a higher amount which will depend on the Global Performance. [In any case, the Cash Settlement Amount will not be higher than the Cap Down Amount, equal to [•].]]

[LUCKY PROTECTION [LONG] CERTIFICATES]

a. if the Final Reference Value is equal to or higher than the Initial Reference Value:

[In this case the investor will receive a Cash Settlement Amount which reflects the positive performance of the Underlying, depending on a percentage equal to [•] (the "**Participation Factor**").]

[In this case the investor will receive a Cash Settlement Amount linked to a percentage of the Initial Reference Value equal to [•] (the "**Initial Percentage**").]

b. if the Final Reference Value is lower than the Initial Reference Value:

In this case the investor will never receive an amount lower than the Dropdown Protection Level, equal to [•].]

[LUCKY PROTECTION [SHORT] CERTIFICATES]

a. if the Final Reference Value is equal to or lower than the Initial Reference Value:

[In this case the investor will receive a Cash Settlement Amount which reflects the negative performance of the Underlying, depending on a percentage equal to [•] (the "**Participation Factor**").]

[In this case the investor will receive a Cash Settlement Amount linked to a percentage of the Initial Reference Value equal to [•] (the "**Initial Percentage**").]

b. if the Final Reference Value is lower than the Initial Reference Value:

In this case the investor will never receive an amount lower than the Dropdown Protection Level, equal to [•].]

[DYNAMIC PROTECTION [LONG] CERTIFICATES]

a. if the Final Reference Value is equal to or higher than the Initial Reference Value:

[In this case, the investor will receive a Cash Settlement Amount which reflects the positive performance of the Underlying, depending on a percentage equal to [•] (the "**Participation Factor**").]

[In this case the investor will receive a Cash Settlement Amount linked to a percentage of the Initial Reference Value equal to [•] (the "**Initial Percentage**").]

b. if the Final Reference Value is lower than the Initial Reference Value but equal to or higher than the Dynamic Protection Level:

In this case, the investor will receive a Cash Settlement Amount linked to the performance of the Underlying multiplied by a percentage whose value will be determined by subtracting to a percentage equal to [•] (the "**Initial Gearing**") the Final Gearing. The Final Gearing is calculated as the number of Gearing Events occurred during the life of the Certificates, multiplied by a percentage equal to [•] (the "**Gearing**"). The Gearing Event will occur when the Reference Value of the Underlying is [lower than] [higher than] [[or] equal to] the [relevant] Gearing Level, which is equal to [•][%] [of the Initial Reference Value].

c. if the Final Reference Value is lower than the Dynamic Protection Level:

In this case, the investors will receive a Cash Settlement Amount represented by the sum of (i) the Protection Amount, equal to [•] and (ii) the Step Up Amount, equal to [•], multiplied by the number of Gearing Events occurred during the life of the Certificates.]

[DYNAMIC PROTECTION [SHORT] CERTIFICATES]

a. if the Final Reference Value is equal to or lower than the Initial Reference Value:

[In this case, the investor will receive a Cash Settlement Amount inversely proportioned to the performance of the Underlying, depending on a percentage equal to [•] (the "**Participation Factor**").]

[In this case the investor will receive a Cash Settlement Amount linked to a percentage of the Initial Reference Value equal to [•] (the "**Initial Percentage**").]

b. if the Final Reference Value is higher than the Initial Reference Value but equal to or higher than the Dynamic Protection Level:

In this case, the investor will receive a Cash Settlement Amount linked to the performance of the Underlying multiplied by a percentage whose value will be determined by subtracting to a percentage equal to [•] (the "**Initial**

Gearing") the Final Gearing. The Final Gearing is calculated as the number of Gearing Events occurred during the life of the Certificates, multiplied by a percentage equal to [•] (the "**Gearing**"). The Gearing Event will occur when the Reference Value of the Underlying is [lower than] [higher than] [[or] equal to] the [relevant] Gearing Level, which is equal to [•][%] [of the Initial Reference Value].

c. if the Final Reference Value is higher than the Dynamic Protection Level:

In this case, the investors will receive a Cash Settlement Amount represented by the sum of (i) the Protection Amount, equal to [•] and (ii) the Step Up Amount, equal to [•], multiplied by the number of Gearing Events occurred during the life of the Certificates.]

[CURRENCY CERTIFICATES

In relation to such type, the investor will receive a percentage of the Issue Price depending on the weighted sum of the performances of the Underlyings.][Insert if a Protection Percentage is applicable: In any case the Cash Settlement Amount will not be lower than an amount equal to the Protection Percentage equal to [•], multiplied by the Issue Price.]

[MULTIPERFORMANCE [LONG] [SHORT] CERTIFICATES

The investor will receive on the Settlement Date an amount linked to a percentage of the Initial Reference Value equal to [•] (the "**Initial Percentage**").]

[MULTIPERFORMANCE MAX LONG [CAP] CERTIFICATES

[The investor will receive a percentage of the invested capital, equal to [•], with the possibility to participate to the increasing Cumulated Performance of the Underlyings depending on the Up Participation Factor, equal to [•].] [The amount will not be higher than [•] (the "**Cap Amount**").]

[MULTIPERFORMANCE MAX SHORT [CAP] CERTIFICATES

[The investor will receive a percentage of the invested capital, equal to [•], with the possibility to participate to the decreasing Cumulated Performance of the Underlyings depending on the Up Participation Factor, equal to [•].] [The amount will not be higher than [•] (the "**Cap Amount**").]

[DUAL CURRENCY FX [LONG] [SHORT] CERTIFICATES

The investor will receive an amount in the Issue Currency linked linked to a percentage of the Initial Reference Value equal to [•] (the "**Initial Percentage**").]

[GAP [LONG] [SHORT] CERTIFICATES

The investor will receive a percentage of the invested capital, equal to [•] (the "**Initial Percentage**").]

[SWITCH CERTIFICATES

a. if the Switch Event has not occurred during the life of the Certificates:

In this case, the Cash Settlement Amount will be calculated [•]. The Switch Event will occur if the [Intraday Value] [Reference Value] of the [Underlying] on [specify the date(s) of the period and for each period if more than one: [•]] (the "[specify the number if more than one [•]] **Switch Valuation Period[s]**"), is [lower than] [higher than] [[or] equal to] [specify the level of the period and for each period if more than one: [•][%][of the Initial Reference Value]] (the "**Switch Level[s]**").]

[WARRANTS

The investor is entitled to receive, upon payment of the Premium, [in case of cash settled Warrants: a Cash Settlement Amount equal to: [in case of Call Warrants: the Notional Amount [specified for each Series in the Annex to the Summary] multiplied for the maximum between 0% and the performance of the Underlying] [in case of Call Spread Warrants: the Notional Amount [specified for each Series in the Annex to the Summary] multiplied for the minimum between the CAP (equal to [•]) and the maximum between 0% and the performance of the Underlying] [in case of Put Warrants: the Notional Amount [specified for each Series in the Annex to the Summary] multiplied for the maximum between 0% and the difference between 1 and the ratio between the Final Reference Value and the Initial Reference Value] [in case of Put Spread Warrants: the Notional Amount [specified for each Series in the Annex to the Summary] multiplied for the minimum between the CAP (equal to [•]) and the maximum between 0% and the difference between 1 and the ratio between the Final Reference Value and the Initial Reference Value] [in case of physically settled Warrants: the Entitlement, being the quantity of [specify relevant assets] (the "**Relevant Assets**") equal to: [•]]]

[CALCULATION METHOD IN THE CASE OF [NEGATIVE] [POSITIVE] PERFORMANCE OF THE UNDERLYING – ([BARRIER EVENT] [BARRIER GAP EVENT] OCCURRED)

The [Barrier Event] [Barrier Gap Event] will occur if [on the [last] Valuation Date] [during the Barrier Event

Determination Period[s]] [during the Barrier Gap Observation Period[s]], the [Final Reference Value] [Reference Value][Intraday Value][Spread][Cumulated Performance] [Gap Daily Performance] of the Underlying[s] [*Specify in relation to which Underlying if more than one* [•]] is [lower than] [higher than] [[or] equal to] [the Barrier Level][the Barrier Gap Level] equal to [*specify the level of the period or the different levels for the same period and for each period if more than one*: [•][%][of the Initial Reference Value] [[and][or] [has been, at least once during the [relevant] [Barrier Event Determination Period] [Barrier Gap Observation Period] [lower than] [higher than] [[or] equal to] [the Barrier Level][the Barrier Gap Level] equal to [*specify the level of the period or the different levels for the same period and for each period if more than one*: [•][%]] [[and] [or] has never been, during the [relevant] [Barrier Event Determination Period] [Barrier Gap Observation Period]] [lower than] [higher than] [[or] equal to] [the Barrier Level][the Barrier Gap Level] equal to [*specify the level of the period or the different levels for the same period and for each period if more than one*: [•][%][of the Initial Reference Value]] [*Insert if the Intraday Value is applicable*: For the purposes of determining the occurrence of a [Barrier Event][Barrier Gap Event], the Intraday Value [*insert, in case of Spread Certificates*: in relation to Underlying A and Underlying B] will be determined [in relation to each Basket Constituent[s]] on the basis of [the official level published by the Index Sponsor] [the official traded price [quoted] on the relevant Reference Source] [the Exchange Rate value quoted on [*insert any over-the-counter or quotation-based market*]] [the Interest Rate value] [the Net Asset Value] [*insert other determination method*] as continuously observed on each Exchange Business Day during the Barrier Event Determination Period by the Calculation Agent on the [*specify the relevant Electronic Page(s)*].]

[[STANDARD] [MAX] [LONG] [TWIN WIN] CERTIFICATES

[If a Barrier Event has occurred, the Cash Settlement Amount will be linked [to the performance of the Underlying (i.e. the investment in the Certificate is a direct investment in the Underlying) and therefore might be exposed to the partial [or total] loss of the capital invested.][to a percentage equal to [•] (the "**Down Participation Factor**")]

[*Insert if a Protection Level is applicable*: The protection of the capital invested will depend on the percentage of the Initial Reference Value equal to [•] (the "**Protection Level**").]

[*Insert if Air Bag Factor is applicable*: The investor will receive at the maturity an amount which is not directly proportionate to the performance of the Underlying due to the Air Bag Factor. Consequently, the investment loss is lower than the loss in value of the Underlying. Such reduction of the loss decreases with the reduction of the Final Reference Value until the Final Reference Value is equal to zero.]

[*Insert if Sigma Amount is applicable*: The investor will receive at least an amount equal to [•] (the "**Sigma Amount**").]

[*Insert if Predetermined Loss is applicable*: The investor will receive an amount which will depend on the Predetermined Loss Percentage equal to [•].]

[*Insert if a Cap Barrier Amount is applicable*: The Cash Settlement Amount will not exceed the Cap Barrier Amount equal to [•].]

[[STANDARD] [MAX] [SHORT] CERTIFICATES

[If a Barrier Event has occurred, the Cash Settlement Amount will be [inversely proportionated to the performance of the Underlying (i.e. in a short position in respect of the Underlying) and therefore may be exposed to the partial [or total] loss of the capital invested.][linked to a percentage equal to [•] (the "**Down Participation Factor**")]

[*Insert if a Short Protection is applicable*: The protection of the capital invested is represented by an amount equal to [•] (the "**Short Protection**").]

[*Insert if Predetermined Loss is applicable*: The investor will receive an amount which will depend on the Predetermined Loss Percentage equal to [•].]

[*Insert if a Cap Barrier Amount is applicable*: The Cash Settlement Amount will not exceed the Cap Barrier Amount equal to [•].]

[SPREAD CERTIFICATES

If the Barrier Event has occurred,

[*Insert if Predetermined Loss is applicable*: the investor will receive an amount which will depend on the Predetermined Loss Percentage equal to [•].]

[*Insert if Spread Protection is applicable*: The investor will receive an amount which will depend on the Spread Protection, equal to [•].]

[*Insert if the Cash Settlement Amount will be linked to the Spread*: the investor will receive an amount directly linked to the Spread (the differential registered between the Performance of the Underlying A and the Performance of the Underlying B) and therefore the investor may be exposed to the total or partial loss of the capital invested.]

[Insert if the Cash Settlement Amount will be linked to the performance of Underlying A: the investor will receive an amount linked to the Performance of the Underlying A (i.e. the investment in the Certificate is a direct investment in the Underlying A) and therefore the investor may be exposed to the total or partial loss of the capital invested.]

[Insert if the Cash Settlement Amount will be linked to the performance of Underlying B: the investor will receive an amount linked to the Performance of the Underlying B (i.e. the investment in the Certificate is a direct investment in the Underlying B) and therefore the investor may be exposed to the total or partial loss of the capital invested.]

[Insert if a Cap Barrier Amount is applicable: The Cash Settlement Amount will not exceed the Cap Barrier Amount equal to [•].]

[MULTIPERFORMANCE [MAX] [LONG] [SHORT] CERTIFICATES

If the Barrier Event has occurred, the investor will receive a Cash Settlement Amount which will depend on the Cumulated Performance of the Underlyings and the Down participation Factor, equal to [•]. [The Cash Settlement Amount will not be lower than [•] (the "**Multiperformance Protection**").]

[GAP [LONG][SHORT] CERTIFICATES

If a Barrier Gap Event has occurred the investor will receive an amount that will depend on the Barrier Gap Leverage (equal to [•]), the Gap Daily Performance and the Barrier Gap Level. Therefore the investor may be exposed to the total or partial loss of the capital invested.]

[DUAL CURRENCY FX [LONG] [SHORT] CERTIFICATES

If a Barrier Event has occurred the investor will receive an amount in [the Issue Currency] [or] [the Dual Currency],

[If the Barrier Event depends on the Final Reference Value: which is a predetermined amount that depends on the Conversion Rate (equal to [•]) and on the Initial Percentage (equal to [•]).]

[If the Barrier Event depends on the Reference Value or the Intraday Value: that depends on:

a. If the Final Reference Value [is equal to or higher than] [is equal to or lower than] the Strike Level (equal to [•]):

In this case the investor will receive a predetermined amount in the Issue Currency that depends on the Initial Percentage (equal to [•]).

b. If the Final Reference Value [is lower than] [higher than] the Strike Level (equal to [•]):

In this case the investor will receive a predetermined amount in the Dual Currency that depends on the Conversion Rate (equal to [•]) and on the Initial Percentage (equal to [•]).]

[In relation to [specify the Remuneration Amount(s) and for what valuation period(s): [•]] [and] [the Early Redemption Amount[s]] [and] [the Cash Settlement Amount] the following option[s] apply:

Best Of Feature

The Calculation Agent selects the Best Of Underlying which is the underlying asset with the [specify, on the basis of the number of the Underlyings: [•]] best performance compared with the other underlying assets.]

[In relation to [specify the Remuneration Amount(s) and for what valuation period(s): [•]] [and] [the Early Redemption Amount[s]] [and] [the Cash Settlement Amount] the following option[s] apply:

Worst Of Feature

The Calculation Agent selects the Worst Of Underlying which is the underlying asset with the [specify, on the basis of the number of the Underlyings: [•]] worst performance compared with the other underlying assets.]

[In relation to [specify the Remuneration Amount(s) and for what valuation period(s): [•]] [and] [the Early Redemption Amount[s]] [and] [the Cash Settlement Amount] the following option[s] apply:

Digital Combo Feature

The Calculation Agent will determine whether a Digital Event has occurred [and] [the Consolidation Effect] [and] [the Memory Effect] in relation to each [Basket Constituent][Underlying]. The amount of the Digital Amount will therefore depend on the number of [Basket Constituents][Underlyings] in relation to which the Digital Event has occurred.]

[In relation to [specify the Remuneration Amount(s) and for what valuation period(s): [•]] [and] [the Early Redemption Amount[s]] [and] [the Cash Settlement Amount] the following option[s] apply:

		<p style="text-align: center;"><i>Participation Combo Feature</i></p> <p>The Calculation Agent will determine the [arithmetic mean][weighted average][sum] of the Participation Amounts for each [Basket Constituent] [Underlying].]</p> <p>[In relation to <i>[specify the Remuneration Amount(s) and for what valuation period(s): [•]]</i> [and] [the Early Redemption Amount[s]] [and] [the Cash Settlement Amount] the following option[s] apply:</p> <p style="text-align: center;"><i>Rainbow Feature</i></p> <p><i>[insert: (i) the financial assets which represent the Basket Constituents, (ii) the percentage of the weights within the Basket without any preliminary reference to specific financial activities and (iii) the objective criteria pursuant to which the weight will be allocated by the Calculation Agent (for instance, in a Basket constituted by three financial activities, the Basket would be weighted as follows: 50% for the Basket Constituent with the best performance; 30% for the Basket Constituent with the worst performance; and 20% for a Basket Constituent with the second best performance).]</i></p> <p>The Calculation Agent will weigh the relevant Basket Constituents on the basis of the performance registered on such determination date and pursuant to the objective criteria provided above. The allocation of the weights within a Basket may result differently on each determination date and depending on the performance of the Basket Constituents. The Calculation Agent will then calculate the total amount of the Basket pursuant to the methods applied to the instruments normally linked to the Basket.]</p>
C.19	Exercise price or final reference price of the underlying	<p>The exercise price of the Underlying will be determined on the basis of [•].</p> <p>[The Final Reference Value will be calculated on <i>[specify date(s)]</i> and will be an amount equal to <i>[specify the calculation method]</i>.]</p> <p>[The Initial Reference Value will be calculated on <i>[specify date(s)]</i> and will be an amount equal to <i>[specify the calculation method]</i>.]</p> <p><i>[Insert in case of Proprietary Index Securities:</i></p> <p>The Expected Final Calculation Date is <i>[specify date(s)]</i>.</p> <p>The Initial Calculation Date is <i>[specify date(s)]</i>.]</p> <p><i>[Insert if Open End Feature is applicable: No Exercise Date will be provided and the Valuation Date, for the calculation of the Cash Settlement Amount, will be identified following the exercise of [the Call Option by the Issuer (Call Valuation Date)] [or] [the exercise of the Put Option by the investor (Put Valuation Date)]. Without prejudice to the calculation methods of the Cash Settlement Amount, the Final Reference Value will be determined by the Calculation Agent on [the Call Valuation Date] [or] [the Put Valuation Date].]</i></p> <p><i>[Insert if Call Option/Put Option apply: The Valuation Date, for the calculation of the Cash Settlement Amount, will be identified following the exercise of [the Call Option by the Issuer (Call Valuation Date)] [or] [the exercise of the Put Option by the investor (Put Valuation Date)]. Without prejudice to the calculation methods of the Cash Settlement Amount, the Final Reference Value will be determined by the Calculation Agent on [the Call Valuation Date] [or] [the Put Valuation Date].]</i></p> <p><i>[Inser in the case of Warrants: The Strike Price is [[•] [specified for each Series in the Annex to the Summary]]</i></p>
C.20	Type of underlying and where the information on the underlying can be found	<p>The Underlying[s] [is[are] [[•] <i>select one or more among the following: share or GDRs/ADRs (or basket of shares or GDRs/ADRs), index (or basket of indices), exchange rate (or basket of exchange rates), interest rate (or basket of interest rates), fund (or basket of funds), commodity (or basket of commodities), future contract (or basket of futures contracts), proprietary index]]</i> [and the relevant [Exchange][Sponsor of the Index] is specified for each Series in the Annex to the Summary.</p> <p>In respect of [•], <i>[specify the relevant ISIN code and the relevant source of information [•]]</i> [in relation to proprietary index securities specify the index funds that may comprise the risky component and source of information [•]].</p>
Section D – RISKS		
D.2	Key risks specific to the Issuer	<p>There are certain factors that may affect each Issuer's ability to fulfil its obligations under the Certificates issued under the Programme. These include the following risk factors:</p> <ul style="list-style-type: none"> i) Banca IMI's business may be adversely affected by international markets and economic conditions; ii) Negative economic developments and conditions in the markets in which Banca IMI operates may adversely affect Banca IMI's business and results of operations; iii) Banca IMI's business is sensitive to current adverse macroeconomic conditions in Italy; iv) Banca IMI's business is exposed to counterparty credit risk;

		<p>v) Deterioration in Banca IMI's loan portfolio to corporate customers may affect Banca IMI's financial performance;</p> <p>vi) Banca IMI's business is exposed to settlement risk and transfer risk;</p> <p>vii) Banca IMI's business is exposed to market risk;</p> <p>viii) Banca IMI's business is exposed to operational risks;</p> <p>ix) Banca IMI's business is exposed to liquidity risk;</p> <p>x) Legal risks;</p> <p>xi) Risks arising from assumptions and methodologies for assessing financial assets and liabilities measured at fair value;</p> <p>xii) Banca IMI's business is exposed to increasing competition in the financial services industry;</p> <p>xiii) Banca IMI's business is exposed to risks arising from the loss of key personnel;</p> <p>xiv) Banca IMI's framework for managing its risks may not be effective in mitigating risks and losses;</p> <p>xv) Banca IMI's business is exposed to reputational risk;</p> <p>xvi) Regulatory claims may arise in the conduct of the Banca IMI's business;</p> <p>xvii) 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;</p> <p>xviii) Banca IMI's business performance could be affected if its capital adequacy ratios are reduced or perceived to be inadequate;</p> <p>xix) Banca IMI's business is exposed to risk of changes in tax legislation as well as to increases in tax rates; and</p> <p>xx) Banca IMI's business is exposed to risk related to transactions in financial derivatives.</p>
D.6	Key risks specific to the securities	<p>An investment in relatively complex securities such as the Certificates involves a greater degree of risk than investing in less complex securities. In some cases, investors may stand to lose [the value of their entire investment or part of it] [part of the value of their investment]. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Securities issued under the Programme. In particular:</p> <p><u>(i) The Certificates may not be a suitable investment for all investors</u></p> <p>Certificates are complex financial instruments. A potential investor should not invest in Certificates which are complex financial instruments unless it has the expertise to evaluate how the Certificates will perform under changing conditions, the resulting effects on the value of the Certificates and the impact that this investment will have on the potential investor's overall investment portfolio.</p> <p><u>(ii) Option Risk</u></p> <p>The Certificates are derivative financial instruments which may include an option right. Transactions in options involve a high level of risk.</p> <ul style="list-style-type: none"> • Risks related to the structure of the Certificates <p><u>() General risks and risks relating to the underlying asset or basis of reference</u></p> <p>The Securities involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Purchasers should be prepared to sustain a partial [or total] loss of the purchase price of their Securities.</p> <p><u>() Certain Factors Affecting the Value and Trading Price of Securities</u></p> <p>The Cash Settlement Amount at any time prior to the expiration is typically expected to be less than the trading price of the Securities at that time. The difference between the trading price and the Cash Settlement Amount will reflect, among other things, a "time value" for the Securities. The "time value" of the Securities will depend partly upon the length of the period left until they expire and the expectations concerning the value of the underlying asset. Securities offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Securities varies with the price of the underlying asset, as well as a number of other interrelated factors.</p> <p><u>() Certain Considerations Regarding Hedging</u></p> <p>Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in the underlying asset, should recognise the complexities of utilising Securities in this manner.</p> <p><u>() Certain Considerations Associated with Share Securities</u></p> <p>In the case of Securities relating to a share or to a GDR/ADR (or basket of shares or basket of GDRs/ADRs), no issuer of such shares will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Securities and neither the Issuer nor any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no</p>

assurance that all events occurring prior to the relevant issue date that would affect the trading price of the shares will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of shares could affect the trading price of the shares and therefore the trading price of the Securities. Securityholders will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares to which such Securities relate.]

[() Certain Considerations Associated with Exchange Rate Securities

Fluctuations in exchange rates will affect the value of Exchange Rate Securities. Purchasers of Securities risk losing their entire investment if the relevant exchange rates do not move in the anticipated direction.]

[() Certain Considerations Associated with Fund Securities

An investment in Fund Securities may bear similar market risks to a direct investment in the relevant fund(s) and investors should take advice accordingly.]

[() Certain Considerations Associated with Futures Contract Securities

The yield on Securities which are linked to futures contracts may not be perfectly correlated to the trend in the price of the underlying asset of the future contract, as the use of futures contracts generally involves a rolling mechanism. Investors may only marginally benefit from any rise or fall in the price of the underlying asset of the future contract.[Since the feature Futures Contract First Near-by is applicable, the Issuer will be entitled to determine the Initial Reference Value on the basis of a Futures Contract First Near-by, i.e. the futures contract that has the same features of the Futures Contract indicated as Underlying, and has an expiration date which is the closest to the Determination Date. Since the Issuer will not make any adjustment to the price of the Securities following such rollover, investors should consider that the price of the futures contract used before the rollover may be different from the price of the futures contract used after the rollover.]]

[() Certain Considerations Associated with Commodity Securities

An investment in Commodity Securities may bear similar market risks to a direct commodity investment. The movements in the price of the Commodity may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices. The price of Commodities may be affected by economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which the relevant Commodities may be traded.]

[() Certain Considerations Associated with Index Securities

The underlying index may be a well-known and widely published index or an index which may not be widely published or available.]

[() Certain Considerations Associated with Interest Rate Securities

On the exercise of Interest Rate Securities, Securityholders will receive an amount (if any) determined by reference to the value of the underlying interest rate(s). Accordingly, an investment in Interest Rate Securities may bear similar market risks to a direct investment in the underlying interest rate, and investors should take advice accordingly.]

[() Certain Considerations Associated with Combined Securities

An investment in Combined Securities will entail significant risks depending on the specific underlying assets. The risk associated with the aforementioned types should be considered in accordance with the specific financial assets of each issue.]

[() Certain Considerations Associated with Proprietary Index Securities

In relation to an investment in Proprietary Index Securities, investors should consider the following risks:

- Factors affecting the Proprietary Index

The performance of the Proprietary Index is dependent upon the performance of each Component, which may depend on interest rates, currency developments, political factors, market factors such as the general trends in capital markets. If the Proprietary Index does not perform as expected, this will materially and adversely affect the market value of the Securities and the Cash Settlement Amount payable by the Issuer.

The frequency and magnitude of changes in the market prices of the fund may affect the market value of the Securities. Volatility is affected by a number of factors such as macro economic factors, speculative trading and supply and demand in the options, futures and other derivatives markets.

- Returns on the Securities do not reflect a direct investment in the fund

The return payable on the Securities may not reflect the return a potential investor would realize if it actually owned the fund comprised in the risky component of the Proprietary Index. Accordingly, Securityholders may receive a lower Cash Settlement Amount than such Securityholders would have received if they had invested in the fund directly. The units comprised in the risky component of the Proprietary Index distribute no dividend.

- A change in the weightings and/or composition of the Proprietary Index could adversely affect the market value of the Securities

The Calculation Agent may rebalance the weighting of the components which comprise the Proprietary Index or proceed with the substitution of the fund with the other fund[s].

Such circumstances may adversely affect the market value of the Securities and the Cash Settlement Amount payable by the Issuer.

- The Underlying is a Proprietary Index

The relevant Proprietary Index is owned and maintained by Banca IMI S.p.A. as Index Sponsor. Banca IMI S.p.A. as the Calculation Agent is also responsible for the composition and calculation of the Proprietary Index. Banca IMI S.p.A. as Index Sponsor and Calculation Agent, is under no obligation to take into account the interests of the Securityholders. Banca IMI S.p.A. as Index Sponsor and Calculation Agent will have the authority to make determinations with respect to the Proprietary Index that could materially and adversely affect the market value of the Securities and the Cash Settlement Amount payable by the Issuer on the Settlement Date.

- Provision of information

Each investor should be aware that Banca IMI S.p.A. as Issuer, Calculation Agent, Index Sponsor and Calculation Agent in relation to the Proprietary Index has no obligation to provide the investor with any information which is in the public domain or any information additional to that which will be published on the fund relevant sources.]

[() Certain Considerations Associated with Securities providing for the application of a Multiplier

The Securities may provide for the application to the relevant Reference Items of a Multiplier in order to increase or decrease the percentage of each Reference Item used to determine the amounts payable or deliverable to investors. The Multiplier may be lower than 100 per cent.

In such case, the amounts payable or deliverable to investors will be reduced and, therefore, will contribute to the yield of the Securities only to such reduced extent. The performance of the relevant reference item(s) will, therefore, impact the yield of the Securities only to a limited extent.]

[() Certain Considerations Associated with Securities providing for the application of a cap

The Securities provides for the application of a [maximum return payable to investors] [maximum value] to the relevant reference item(s). therefore, the amounts payable to investors will be subject to such predetermined maximum.]

[() Loss risk in relation to the investment

The investor shall consider that, in relation to their investment, there is a risk of [total or] partial loss of the capital invested depending on the performance of the underlying asset.]

[() Cash Settlement Amount or the physical delivery of the Entitlement less than the Value of an Investment in the Securities

Each Securityholder may receive a Cash Settlement Amount, as applicable, and/or physical delivery of the Entitlement the aggregate value of which may be less than the value of the Securityholder's investment in the relevant Securities. In certain circumstances Securityholders may lose the entire value of their investment.]

[() Risk related to a [protection level] [protection amount] lower than 100%

The Certificates provides a protection [level][amount]. The protection [level][amount] represents the protection of the Issue Price of the Certificate and that the Cash Settlement Amount will not fall below such protection. The lower the protection, the higher the loss (if any) that the investor might suffer, given that the Issue Price of the Certificate will not be entirely protected and the Settlement Amount at the Exercise Date might be lower than the Issue Price.]

[() Exchange risk related to the absence of a Quanto Option

The investment in Certificates which do not provide a Quanto Option may entail risks related to the exchange rate. The Underlying Reference Currency of the underlying is different from the Settlement Currency of the Certificates. In particular, the return of the Certificate without a Quanto Option might be negative as the value of the underlying asset shall be exchanged in the Settlement Currency at the applicable exchange rate. Therefore, any negative variation of the exchange rate might frustrate either the performance of the underlying asset at maturity [and the returns linked to the Remuneration Amount] might determine a loss of the capital invested.]

[() Price Risk and components that determine the value of the Certificates

The Certificates are composed of a combination of several options and the Securityholder shall take into account that the value of the Certificates will depend on the value of each option composing the certificate. The fluctuation over the time of the value of each optional components mostly depends on the current value of the underlying asset to which the Certificates relate, the volatility of the underlying asset, the residual life of the options composing the Certificates, [the levels of the interest rates of the monetary markets,] [the expected dividends], [the correlation] as well as the business of the Issuer of the underlying asset, speculative contractions and other factors.

[() Risk related to [the Participation Factor] [the Up Participation Factor] [and] [the Down Participation Factor]

The Cash Settlement Amount will be calculated on the basis of the [Participation Factor, which is lower than 100% and, therefore, the investor will partially benefit from the [Insert in case of Long Strategy: positive performance] [Insert in case of Short Strategy: negative performance] of the Underlying.

[Up Participation Factor, which is lower than 100% and, therefore, the investor will partially benefit from the positive performance of the Underlying] [Down Participation Factor, which is higher than 100% and, therefore, the negative impact of the decreasing performance of the Underlying will be amplified.]]

[() Risk related to the determination method of the Digital Level

In relation to the Certificates, the Issuer has set, at its own discretion, the Digital Level[s]. The higher the Digital Level in respect of the Initial Reference Value, the greater the possibility that the Digital Event will not occur and therefore that the relevant Digital Amount will not be paid. *[Insert if the Cliquet Feature is applicable: The investors should also consider that the Digital Level might be different in each Digital Valuation Period.] [Insert if the Range Level Option is applicable: In relation to the Range Level Option, the possibility that a Digital Event will not occur and therefore that the relevant Digital Amount will not be paid will depend on how the Up Range Digital Level and the Down Range Digital Level will be set by the Issuer in the relevant Final Terms and on whether the value of the Underlying will be closer (in case it is represented by a value falling within the range) or more distant (in case it is represented by a value falling out of the range) in respect of the Initial Reference Value.]*

[() Risk related to the Knock-out Feature

In relation to *[specify the remuneration amount: [•]]*, a Knock-out Feature apply. In this case, if the Knock-out Event occurs, such remuneration amount provided in relation to the valuation period following such Knock-out Valuation Period will be deactivated and will not be paid.]

[() Risk related to the Knock-in Feature

In relation to *[specify the remuneration amount: [•]]*, a Knock-in Feature apply. In this case, if the Knock-in Event does not occur, such remuneration amount provided will not be activated and therefore will not be paid. The higher the Knock-in Level in respect of the Initial Reference Value, the greater the possibility that a Knock-in Event will not occur.]

[() Risk related to the occurrence of an Early Redemption Event

If an Early Redemption Event occurs, the Early Redemption Amount to be paid to the Securityholder will not depend on the value of the underlying asset[s] but it will be composed of an amount predetermined by the Issuer. *[Furthermore, since the value of the underlying asset[s] is calculated as Intraday Value, the underlying asset[s] will be observed on a continuous basis and the probability that an Early Redemption Event occurs may be magnified.]*

[() Risk related to the [Barrier Event]/[Barrier Gap Event]

If a [Barrier Event][Barrier Gap Event] occurs, the Cash Settlement Amount will be determined in accordance with a calculation method other than the calculation method applicable if the [Barrier Event][Barrier Gap Event] does not occur and such circumstance may have a negative influence on the price. This may entail the risk of partial [or total] loss of the investment.

[Furthermore, since the value of the underlying asset[s] is calculated as Intraday Value, the underlying asset[s] will be observed on a continuous basis and the probability that a [Barrier Event][Barrier Gap Event] occurs may be magnified.]

[Finally, in relation to the payment of the Premium Gap Amount[s] payable to the investor during the life of the Gap Certificates, the investor should consider that after the occurrence of the Barrier Gap Event the Premium Gap Amount will be determined on the basis of the actual number of days within the relevant Premium Gap Observation Period and not on the basis of all the days of the relevant Premium Determination Period and after the payment of the Premium Gap Amount that will be paid on the first Premium Payment Date following the Barrier Gap Event Date on which a Barrier Gap Event has occurred, no further Premium Gap Amount will be paid to the investors.]

[() Risk related to the Predetermined Loss Percentage

The lower the Predetermined Loss Percentage the smaller the Cash Settlement Amount that the investor will receive on the Settlement Date.]

[() Risk related to the [Best Of Feature] [and] [Worst Of Feature]

[Insert in the case of Best Of Feature: The lower will be the performance selected by the Issuer among the financial activities within the underlying asset, the less the revenue that the investor will receive.] [Insert in the case of Worst Of Feature: The higher will be the performance selected by the Issuer among the financial activities within the underlying asset, the less the revenue that the investor will receive.]]

[() Risk related to the Baskets of Underlyings – [Risk related to the Rainbow Feature -] Correlation risk

In the case of a Basket of underlying assets, the investor shall take into account that the value and the return of the Certificates depends on the value of each Basket Constituents, the weighting allocated to each Basket Constituents and the correlation between the Basket Constituent. In the case of a Basket, the investor shall consider that a different weighting allocated to the Basket Constituents entails a higher or lower value of the Basket. *[In the case of a Rainbow Feature, the investor shall consider that upon the variation of even only one Basket Constituent, the Reference Value of the Basket that is recorded on a determination date might be completely different from a Reference Value recorded on a prior date.]*

[() Risk related to management fees applied by the Issuer in case of Benchmark Certificates

The Issuer applies to the Benchmark Certificates *[an Annual Management Fee which will be calculated according to the AMF Percentage. Such fee will accrue proportionally to the tenor of the Certificates and will not be affected in any way by the performance of the Underlying. The AMF will be deducted from the Cash Settlement Amount, and in case of listing of the Certificates on an exchange the price of the Certificates will include such AMF, as*

accrued progressively. [a Variable Management Fee, whose VMF Percentage may vary during the life of the Certificates. Any variation of the VMF Percentage will be published by the Issuer on its website and by appropriate communication to the relevant exchange where the Certificates are listed.]

Prospective investors in Benchmark Certificates should consider that the [*Insert in the case of Long Strategy: positive*][*Insert in the case of Short Strategy: negative*] performance of the Underlying during the life of the Certificates shall be considered net of the [AMF][VMF].]

() Risk related to the Restrike Feature

In relation to the Restrike Feature, if a Restrike Event has occurred, the Initial Reference Value will be recalculated and set at the Restrike Percentage. Therefore, the amounts that the investor may receive, in case of Restrike Feature and upon occurrence of the Restrike Event, depend on the Restrike Percentage.]

() Risk related to the Call Option

Prospective investors should consider that the Certificates will be exercised upon the Exercise of the Call Option by the Issuer. Therefore, the exercise of the Call Option by the Issuer might frustrate long term investment strategies pursued by the investors.]

• ***Risks relating to Warrants***

Prospective investors should consider that (i) there will be a time lag between the time a Warrantholder gives instructions to exercise, or the time the Warrant is automatically exercised, and the time the applicable Cash Settlement Amount (in the case of cash settled warrants) relating to such exercise is determined, (ii) the risks associated with Minimum Exercise Amounts and (iii) that there may be limitations on a Warrantholder's ability to exercise the Warrants.

• ***Risks Related to Securities Generally***

(i) Option to Vary Settlement

The Issuer may have an option to vary settlement in respect of the Securities, at its sole and unfettered discretion, and may elect (1) not to pay the relevant Securityholders the Cash Settlement Amount, but to deliver or procure delivery of the Entitlement or (2) not to deliver or procure delivery of the Entitlement, but to make payment of the Cash Settlement Amount on the Settlement Date to the relevant Securityholders

(ii) Modification

The Conditions provide that the Principal Security Agent and the Issuer may, without the consent of Securityholders, agree to (i) any modification (subject to certain specific exceptions) of the Securities or the Agency Agreement which is not prejudicial to the interests of the Securityholders or (ii) any modification of the Securities 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.

(iii) Settlement Disruption Event

In the case of Physical Delivery Securities, if a Settlement Disruption Event occurs or exists on the Settlement Date, settlement will be postponed until the next Settlement Business Day on which no Settlement Disruption Event occurs. The Issuer in these circumstances also has the right to pay the the fair market value of such Security (less the cost of unwinding any underlying related hedging arrangements and any cost of funding in respect of such hedging arrangements) as determined by the Issuer in its sole and absolute discretion [plus, if already paid, the Premium] in lieu of delivering the Entitlement. Such a determination may have an adverse effect on the value of the relevant Securities.

(vi) Expenses and Taxation

The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security by any person and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

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

The Issuer and other financial institutions through which payments on the Securities 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" made after 31 December 2016 (at the earliest) in respect of (i) any Securities 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 or materially modified after 30 June 2014 (at the earliest) and (ii) any Securities characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. In addition the Issuer may issue further Securities (**Further Securities**) in respect of any Series of Securities already issued (**Existing Securities**) such that the Further Securities shall be consolidated and form a single Series with the Existing Securities. An issue of Further Securities after 30 June 2014 that will be consolidated and form a single Series with, and have the same operational identification numbers as Existing Securities issued on or before 30 June 2014 may result in such Existing Securities also being subject to withholding.

While the Securities 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 Securities are discharged once it has paid the common depository for the clearing systems (as bearer or registered holder of the Securities) 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 Securities 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 Securities, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Securities, 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 Securities should consult their own tax advisers for a more detailed explanation of FATCA and how FATCA may apply to payments they receive under the Securities.

FATCA is particularly complex and its application to the Issuer, the Securities, and investors in the Securities are uncertain at this time. The application of FATCA to "foreign passthrough payments" on the Securities or to Securities issued or materially modified on or after 1 July 2014 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 implementing 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.

(vi) Legislation Affecting Dividend Equivalent Payments

The United States Hiring Incentives to Restore Employment Act (the "**HIRE Act**") treats a "dividend equivalent" payment as a dividend from sources within the United States. Under the HIRE Act, unless reduced by an applicable tax treaty with the United States, such payments generally will be subject to U.S. withholding tax. If the IRS determines that a payment is substantially similar to a dividend, it may be subject to U.S. withholding tax, unless reduced by an applicable tax treaty. If withholding is so required, the Issuer will not be required to pay any additional amounts with respect to amounts so withheld.

(vii) Other taxation considerations

It is not possible to predict whether the taxation regime applicable to Securities on the date of purchase or subscription will be amended during the term of the Securities.

(viii) Illegality and Cancellation

If the Issuer determines that its performance under any Securities has, or that any arrangements made to hedge the Issuer's obligations under any Securities have, become (i) illegal, in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable, the Issuer may cancel the Securities. If the Issuer cancels the Securities, it will pay the holder of each Security an amount equal to the fair market value of such Security.

(ix) Hedging Disruption

In connection with the offering of the Securities, the Issuer or its affiliates may enter into one or more hedging transaction(s) with respect to an Underlying or related derivatives, which may affect the market price, liquidity or value of the Securities.

In case of the occurrence of an Hedging Disruption the Calculation Agent may consider such event as an Early Redemption Event and the Issuer shall terminate its obligations under the Securities and shall pay or cause to be paid an amount on the basis of the fair market value of the Securities (the bid-value in case of Italian Listed Securities).

(x) Change of law

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.

(xi) Potential Conflicts of Interest

Some activities of the Issuer or any of its Affiliates could present certain conflicts of interest, influence the prices of such shares or other securities and adversely affect the value of such Securities.

() Physical Delivery Requirements and Settlement Risk

In order to receive the Entitlement in respect of a Physical Delivery Security, the holder of such Security must (1) deliver or send by authenticated swift message (confirmed in writing) to Euroclear or Clearstream, Luxembourg (as the case may be), with a copy to the Issuer and the Principal Security Agent [*Insert in the case of a Physical Delivery Warrant: a duly completed Exercise Notice on or prior to the relevant time on the Expiration Date*] [*Insert in the case of a Physical Delivery Certificate: a duly completed Physical Delivery Confirmation Notice on or prior to the relevant time on the Exercise Date*] and (2) pay [the relevant Premium and] Expenses, together with any other amounts payable. Failure to do so will result [*Insert in the case of a Warrant where Automatic Exercise is not specified: the relevant Warrant's becoming void*] [*Insert in the case of a Warrant where Automatic Exercise is specified or in the case of a Certificate: the Securityholder receiving the Assessed Value Payment Amount instead of the Entitlement. The Assessed Value Payment Amount will be determined by the Calculation Agent by reference to the fair market value of the assets comprised in the Entitlement.*] Following the exercise of [Physical Delivery Warrants] [Physical Delivery Certificates], unless otherwise indicated, the Calculation Agent may determine that a Settlement Disruption Event or, if applicable, a Failure to Deliver due to Illiquidity is subsisting. Any such determination may affect the value of the Securities and/or may delay settlement and/or lead to cash settlement rather than physical settlement in respect of the Securities.]

() EU Savings Directive

Under EC Council Directive 2003/48/EC recently replaced by EC Council Directive 2014/107, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or other similar income) paid (or deemed to be paid) by a paying agent within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State (the **Disclosure of Information Method**). However, for a transitional period, Austria will withhold an amount on such payments instead of using the Disclosure of Information Method, except if the beneficiaries of the interest payments opt for the Disclosure of Information Method.

• **Risks Related to the Market Generally**

[In relation to each Series, insert only the applicable risk factors]

() Impact of implicit fees on the Issue/Offer Price

Investors should note that implicit fees may be a component of the Issue/Offer Price of Securities, but such fees will not be taken into account for the purposes of determining the price of the relevant Securities in the secondary market.

() Certain considerations associated with public offers of Securities

If Securities are distributed by means of a public offer, the Issuer may have the right to withdraw the offer, which in such circumstances will be deemed to be null and void.

() Possible Illiquidity of the Securities in the Secondary Market

If the Issuer does list or admit to trading an issue of Securities, there can be no assurance that at a later date, the Securities will not be delisted or that trading on such exchange or market will not be suspended. In the event of a delisting or suspension of listing or trading on a stock exchange or market, the Issuer will use its reasonable efforts to list or admit to trading the Securities on another exchange or market. The Issuer or any of its Affiliates may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation. To the extent that an issue of Securities becomes illiquid, an investor may have to wait until the Exercise Date to realise value.

() Listing of Securities

In respect of Securities which are to be listed on a stock exchange, market or quotation system, the Issuer shall use all reasonable endeavours to maintain such listing, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then the Issuer may apply to delist the relevant Securities, although in this case it will use all reasonable endeavours to obtain and maintain an alternative admission to listing, trading and/or quotation by a stock exchange, market or quotation system within or outside the European Union, as it may decide. If an alternative admission is not available or is, in the opinion of the Issuer, impracticable or unduly burdensome, an alternative admission will not be obtained.

() Exchange rate risks and exchange controls

There are certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Settlement 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.

• **Legal Risks**

(i) Legal investment considerations may restrict certain investments

Potential investors should consult with their own tax, legal, accounting and/or financial advisers before considering investing in the Securities.

		<p><i>(ii) No reliance</i> 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 Securities by a prospective purchaser of the Securities.</p> <p><i>(iii) Disclaimers</i> Each type of structured Security will be issued subject to express disclaimers in respect of the risks involved in investing in such Securities.</p>
Section E – OFFER		
E.2b	Reasons for the offer and use of proceeds	The Issuer intends to use the net proceeds from each issue of Certificates for general corporate purposes, including making a profit. [A substantial portion of the proceeds may be used to hedge market risks with respect to the Certificates.][<i>specify if there is a particular identified use of proceeds</i> [•]] [Not Applicable - the Securities are not being offered to the public as part of a public offer.]
E.3	Terms and conditions of the offer	[[<i>Summarise the terms of any public offer as set out in the Final Terms</i>]] [Not Applicable - the Securities are not being offered to the public as part of a public offer.]
E.4	Material interests in the offer	[Save as discussed above [and save for any fees payable to [the Manager] [and] [the Lead Manager][, <i>specify other</i> [•]].]] [so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer.] [Not Applicable - the Securities are not being offered to the public as part of a public offer.]
E.7	Estimated expenses	[<i>Specify if there are fees specifically charged to purchasers of the Certificates in accordance with the applicable Final Terms</i> [•]] [No expenses are being charged to an investor by the Issuer [or any Manager].] [Investors should take into consideration that the Offer Price embeds placement commissions [payable by the Issuer to the Manager [and to the Lead Manager]] equal to [•] per cent of the Issue Price [in respect of Securities placed up to an aggregate of [•] Securities and in excess determined so that the aggregate commission will be [no [higher][lower] than] [•] per cent of the Issue Price of the aggregate Securities placed.][<i>specify other</i> [•]] [Not Applicable - the Securities are not being offered to the public as part of a public offer.]

ANNEX TO THE SUMMARY

[Applicable table in case of Warrants:]

Isin (Element C.1)	Underlying (Element C.15 and C.20)	Call/Call Spread/ Put/Put Spread (Element C.1)	isin underlying (Element C.20)	Strike price (Element C.19)	Valuation Date (Element C.16)	[Exercise Date] [Exercise Period] (Element C.16)	Settlement Date (Element C.16)	Notional Amount (Element C.18)	Minimum Exercise Number (Element C.18)	Exchange/ Sponsor of the Index (Element C.20)

[Applicable table in case of Certificates:

Isin (Element C.1)	Underlying (Element C.15 and C.20)	Isin Underlying (Element C.20)	Valuation Date (Element C.16)	Settlement Date (Element C.16)	[•] Amount (Element C.18)	[•] Level (Element C.18)	[•] [Valuation] [Determination] [Period] (Element C.18)	Exchange/ Sponsor of the Index (Element C.20)

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