

**SECOND SUPPLEMENT DATED 13 NOVEMBER 2017 TO THE BASE PROSPECTUS  
DATED 7 JULY 2017**



**BANCA IMI S.p.A.**

*(incorporated with limited liability in the Republic of Italy)*

**EURO MEDIUM TERM NOTE PROGRAMME**

This second supplement (the **Second Supplement**) to the Base Prospectus dated 7 July 2017, as previously supplemented by the First Supplement dated 9 August 2017 (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 Euro Medium Term Note Programme (the **Programme**) established by Banca IMI S.p.A. (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Second Supplement.

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

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

The language of the Second 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 Second Supplement.

The Issuer accepts responsibility for the information contained in this Second 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 Second Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

In accordance with Article 16.2 of the Prospectus Directive, in the case of an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes issued under the Euro Medium Term Note Programme before this Second Supplement, dated 13 November 2017, 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 Second Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 15 November 2017.

## **1. PURPOSE OF THIS SUPPLEMENT**

On 31 October 2017, the credit rating agency S&P Global raised the long-term rating of Banca IMI S.p.A. from BBB- to BBB and the short-term rating from A-3 to A-2, as a consequence of the same revision in relation to the parent company Intesa Sanpaolo S.p.A.. These changes followed the upgrade by S&P Global of the Republic of Italy's sovereign credit ratings from BBB-/A-3 to BBB/A-2, occurred on 27 October 2017.

For this reason, the first page (cover page) of the Base Prospectus and the section Summary of the Programme will be amended as better specified under sections 2 and 3 of this Second Supplement.

Save as disclosed in this Second 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 Second 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 Second Supplement are available on the official website of the Issuer at <https://www.bancaimi.prodottiequotazioni.com/EN/Legal-Documents> and on the official website of the Irish Stock Exchange at <http://www.ise.ie/Market-Data-Announcements/Debt/Individual-Debt-Instrument-Data/Dept-Security-Documents/?progID=643&FIELDSORT=docId>.

## **2. SUMMARY OF THE PROGRAMME**

As a result of the upgrade by S&P Global of the long-term rating of Banca IMI S.p.A. from BBB- to BBB and the short-term rating from A-3 to A-2, the Element B.17 "Credit ratings" of the Section B "Issuer" of the "Summary of the Programme" in the Base Prospectus is amended as set out in the "Summary of the Programme" in Schedule 1 hereto.

### 3. FIRST PAGE (COVER PAGE) OF THE BASE PROSPECTUS

**As a result of the upgrade by S&P Global of the long-term rating of Banca IMI S.p.A. from BBB- to BBB and the short-term rating from A-3 to A-2, the following paragraph of the first page (cover page) of the Base Prospectus is amended as follows:**

"The Issuer has been rated Baa1 (long-term) and P-2 (short-term) with stable outlook by Moody's Italia S.r.l. (**Moody's**), BBB (long-term) and A-2 (short-term) with stable outlook by S&P Global Ratings Italy S.r.l. (**S&P Global**) and BBB (long-term) and F2 (short term) with stable outlook by Fitch Ratings Ltd. (**Fitch**). Each of Moody's, S&P Global and Fitch is established in the European Union and is registered under the Regulation (EC) no. 1060/2009 (as amended) (the **CRA Regulation**). As such each of Moody's, S&P Global and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation. Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency."

#### **4. GENERAL**

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

13 November 2017

## SCHEDULE 1

### SUMMARY OF THE PROGRAMME

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

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

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

#### SECTION A – INTRODUCTION AND WARNINGS

Element	
A.1	<p>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms.</p> <p>Any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms.</p> <p>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</p> <p>Civil liability attaches to the Issuer solely on the basis of this summary, including any translation of it, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a <b>Public Offer</b>.</p>
	<p><b>[Issue specific summary:</b></p>
	<p>[Not Applicable – The Issuer does not consent to the use of the Base Prospectus for subsequent resales.]</p> <p>[Not Applicable - the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency).]</p> <p>[Not Applicable - the Notes are not being offered to the public as part of a Public Offer.]</p> <p><i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of Notes by the Manager(s) [, [names of specific financial intermediaries listed in final terms,] [and] [each financial intermediary whose name is published on the Issuer's website (<a href="http://www.bancaimi.prodottiequotazioni.com/EN">http://www.bancaimi.prodottiequotazioni.com/EN</a>) and identified as an Authorised Offeror in respect of the relevant Public Offer] [and any financial intermediary which is authorised to make such offers under the Financial Services and Markets Act 2000, as amended or other applicable legislation implementing Directive 2004/39/EC (MiFID) and publishes on its website the following statement (with the</p>

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

## SECTION B – ISSUER

Element	
<b>B.1</b>	<b>Legal and commercial name of the Issuer</b> Banca IMI S.p.A.
<b>B.2</b>	<b>Domicile / legal form / legislation / country of incorporation</b> The Issuer is incorporated as a <i>società per azioni</i> with limited liability under the laws of the Republic of Italy. The Issuer is registered with the Companies' Register of Milan under No. 04377700150. Its registered office is at Largo Mattioli 3, 20121 Milan, with telephone number +39 02 72611.
<b>B.4 b</b>	<b>Trend information</b> Not Applicable - There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for its current financial year.
<b>B.5</b>	<b>Description of the Group</b> The Issuer is a company belonging to the Intesa Sanpaolo banking group, of which Intesa Sanpaolo S.p.A. is the parent company.
<b>B.9</b>	<b>Profit forecast or estimate</b> Not Applicable - No profit forecasts or estimates have been made in the Base Prospectus.
<b>B.1 0</b>	<b>Audit report qualifications</b>

Not Applicable - No qualifications are contained in any audit report included in the Base Prospectus.

**B.1 Selected historical key financial information**

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The audited consolidated balance sheets and income statements as of, and for each of the years ended, 31 December 2015 and 2016 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:

***Audited Consolidated Balance Sheets for the year ending 31 December 2016 compared with corresponding figures for the year ending 31 December 2015***

<b>Assets</b>	<b>31 December 2016</b>	<b>31 December 2015</b>
	<i>(EUR thousand)</i>	
Cash and cash equivalents	3	4
Financial assets held for trading	53,477,591	56,954,580
Available-for-sale financial assets	14,693,865	11,643,236
Due from banks	53,305,542	60,923,615
Loans to customers	27,798,310	23,353,892
Hedging derivatives	154,440	203,228
Equity investments	19,560	13,324
Property and equipment	848	878
Intangible assets	285	287
Tax assets	489,371	502,230
<i>a) current</i>	251,068	292,543
<i>b) deferred</i>	238,303	209,687
Other assets	467,011	445,523
<b>Total Assets</b>	<b>150,406,826</b>	<b>154,040,797</b>

<b>Liabilities and Equity</b>	<b>31 December 2016</b>	<b>31 December 2015</b>
	<i>(EUR thousand)</i>	
Due to banks	60,716,591	68,073,695
Due to customers	18,989,914	16,026,878
Securities issued	11,282,639	13,866,789
Financial liabilities held for trading	53,551,620	51,653,544
Financial liabilities at fair value through profit and loss	-	-
Hedging derivatives	196,639	164,568
Tax liabilities	424,563	342,293
<i>a) current</i>	410,436	325,988
<i>b) deferred</i>	14,127	16,305
Other liabilities	450,312	587,215
Post-employment benefits	9,178	8,743
Provisions for risks and charges	30,387	24,074
<i>a) pensions and similar obligations</i>	12	12
<i>b) other provisions</i>	30,375	24,062
Fair value reserves	(131,153)	(50,076)
Equity Instruments	1,000,000	-
Reserves	1,600,694	1,573,629
Interim dividends	-	(307,988)
Share premium reserve	581,260	581,260
Share capital	962,464	962,464
Equity attributable to non-controlling interests (+/-)	-	-
Profit for the year	741,718	533,715
<b>Total Liabilities and Equity</b>	<b>150,406,826</b>	<b>154,040,797</b>

***Audited Consolidated Income Statements for the year ending 31 December 2016 compared with corresponding figures for the year ending 31 December 2015***



	<b>31 December 2016</b> <i>(EUR thousand)</i>	<b>31 December 2015</b>
Interest and similar income	1,337,482	1,470,106
Interest and similar expense	(801,338)	(891,695)
Net interest income	536,144	578,411
Fee and commission income	599,097	488,754
Fee and commission expense	(217,026)	(230,529)
Net fee and commission income	382,071	258,225
Dividends and similar income	38,035	41,092
Profits (Losses) on trading	554,800	328,785
Profit (Losses) on hedging	(425)	7,797
Profits (Losses) on disposal or repurchase of:	150,754	184,890
a) <i>loans and receivables</i>	1,481	(34,912)
b) <i>available-for-sale financial assets</i>	170,072	274,519
c) <i>held-to-maturity investments</i>	-	-
d) <i>financial liabilities</i>	(20,799)	(54,717)
Total income	1,661,379	1,399,200
Impairment losses/reversal of impairment losses on:	(2,249)	2,942
a) <i>loans and receivables</i>	(8,572)	(421)
b) <i>available-for-sale financial assets</i>	(1,618)	(5,850)
c) <i>held-to-maturity investments</i>	-	-
d) <i>other financial assets</i>	7,941	9,213
Net financial income	1,659,130	1,402,142
Net banking and insurance income	1,659,130	1,402,142
Administrative expenses	(574,278)	(595,882)
a) <i>personnel expenses</i>	(166,029)	(162,051)
b) <i>other administrative expenses</i>	(408,249)	(433,831)
Net accruals to provision for risks and charges	(8,118)	1,700
Depreciation and net impairment losses on property and equipment	(346)	(475)
Amortisation and net impairment losses on intangible assets	(78)	(73)
Other operating income (expenses)	8,224	3,204
Operating expenses	(574,596)	(591,526)
Net gains on sales of equity investments	30,506	6,840
Pre-tax profit from continuing operations	1,115,040	817,456
Income tax expense	(373,322)	(283,741)
Post-tax profit from continuing operations	741,718	533,715
Profit for the year	741,718	533,715
Profit (loss) attributable to non-controlling interests	-	-
<b>Profit attributable to the owners of the parent</b>	<b>741,718</b>	<b>533,715</b>
<b>No material adverse change statement</b>		
There has been no significant change in the financial or trading position of the Issuer since 31 December 2016.		
<b>Significant changes in the financial or trading position</b>		
There has been no material adverse change in the prospects of the Issuer since 31 December 2016.		
<b>B.1 3</b>	<b>Events impacting the Issuer's solvency</b>	
	Not Applicable - There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.	

<b>B.1 4</b>	<p><b>Dependence upon other group entities</b></p> <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>B.1 5</b>	<p><b>Principal activities</b></p> <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>B.1 6</b>	<p><b>Controlling shareholders</b></p> <p>The Issuer is a wholly-owned direct subsidiary of Intesa Sanpaolo S.p.A., the parent company of the Intesa Sanpaolo banking group.</p>
<b>B.1 7</b>	<p><b>Credit ratings</b></p> <p>The Issuer has been rated Baa1 (long-term) and P-2 (short-term) with stable outlook by Moody's Italia S.r.l. (Moody's), BBB (long-term)<sup>1</sup> and A-2 (short-term)<sup>2</sup> with stable outlook by S&amp;P Global Ratings Italy S.r.l. (S&amp;P Global) and BBB (long-term) and F2 (short-term) with stable outlook by Fitch Ratings Ltd. (Fitch).</p>
	<p>Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Series of Notes is rated, such rating will be disclosed in the Final Terms and will not necessarily be the same as the rating assigned to the Issuer by the relevant rating agency.</p>
	<p><b><i>[Issue specific summary:</i></b></p>
	<p>The Notes [have been/are expected to be] rated [<i>specify rating(s) of Series being issued</i>] by [<i>specify rating agent(s)</i>].</p>
	<p>A security rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</p>
	<p>[Not Applicable – No ratings have been assigned to the Issuer or its Notes at the request of or with the co-operation of the Issuer in the rating process.]</p>

1 As a result of the upgrade by S&P Global of the long-term rating of Banca IMI S.p.A. from BBB- to BBB, this Element B.17 "Credit ratings" of the Section B "Issuer" has been amended by the Second Supplement dated 13 November 2017.

2 As a result of the upgrade by S&P Global of the short-term rating of Banca IMI S.p.A. from A-3 to A-2, this Element B.17 "Credit ratings" of the Section B "Issuer" has been amended by the Second Supplement dated 13 November 2017.

## SECTION C – NOTES

<b>Element</b>	
<b>C.1</b>	<p><b>Type and class of the Notes</b> The Issuer may issue Notes pursuant to the Programme.</p>
	Notes may be fixed rate Notes, fixed rate reset Notes, floating rate Notes, zero coupon Notes, dual currency Notes or a combination of the foregoing.
	<p>Notes will be issued in bearer form (Bearer Notes) or registered form (Registered Notes). Notes may be in definitive form, or may initially be represented by one or more global securities deposited with a common depository or a common safekeeper for Euroclear Bank S.A./N.V. (<b>Euroclear</b>) and Clearstream Banking S.A. (<b>Clearstream, Luxembourg</b>) and/or any other relevant clearing system. Global securities may be exchanged for definitive securities in the limited circumstances described in the relevant global security.</p> <p>In addition, in certain circumstances, investors may also hold interests in the Notes indirectly through Euroclear UK &amp; Ireland Limited through the issuance of dematerialised depository interests issued, held, settled and transferred through CREST (<b>CDIs</b>). CDIs represent interests in the relevant Notes underlying the CDIs; the CDIs are not themselves Notes. CDIs are independent securities distinct from the Notes, are constituted under English law and transferred through CREST and will be issued by CREST Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated). CDI holders will not be entitled to deal directly in the Notes.</p>
	The Notes shall be redeemed at par.
	The security identification number of the Notes will be set out in the relevant Final Terms.
	<i>[Issue specific summary</i>
	Title of Notes: [●]
	Series Number: [●]
	Tranche Number: [●]
	ISIN Code: [●]
	Common Code: [●]
	<p>Relevant Clearing Systems(s): The Notes will settle in [Euroclear and Clearstream, Luxembourg]/[●]. [The Notes will also be made eligible for CREST via the issue of CDIs.]</p> <p>[The Notes will initially be issued in global [bearer] [registered] form.] [The Notes will be issued in definitive registered form.]</p> <p>[The Notes will be consolidated and form a single series with [<i>identify earlier Tranches</i>] on [the Issue Date/ exchange of the Temporary Global Note for interests in the Permanent Global Note, which is expected to occur on or about [<i>date</i>]]]</p>
<b>C.2</b>	<p><b>Currency of the Notes</b></p>
	Subject to compliance with all relevant laws, regulations and directives, the Notes may be denominated in any agreed currency and payments in respect of the Notes may be made in the currency of denomination of the Notes or in such currency and based on such rates of exchange, as the Issuer and the relevant Manager may agree at the time of issue of the relevant Notes.

	<i>[Issue specific summary]</i>
	The Notes are denominated in [●]. Payments of interest in respect of the Notes will be made in [●]. Payments of principal in respect of the Notes will be made in [●].
<b>C.5</b>	<b>Restrictions on free transferability</b> Selling restrictions apply to offers, sales or transfers of the Notes under the applicable laws in various jurisdictions. A purchaser of the Notes is required to make certain agreements and representations as a condition to purchasing the Notes.
	<i>[Issue specific summary]</i>
	Regulation S Compliance Category 2. TEFRA [C] [D] [not applicable]]
<b>C.8</b>	<b>Description of the rights attaching to the Notes</b>  <b>Status:</b> The Notes and any relative Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.
	<b>Negative pledge:</b> The Notes do not have the benefit of a negative pledge.
	<b>Deed of covenant:</b> The Notes have the benefit of a deed of covenant dated on or around 7 July 2017.
	<b>Right to interest:</b> Notes may bear interest as determined in accordance with item C.9 below.
	<b>Right to redemption:</b> The early redemption amount or final redemption amount is determined in accordance with item C.9 below.
	<b>Taxation:</b> If the applicable Final Terms specify that Condition 7(i) is applicable to the Notes, principal and interest in respect of the Notes will be payable by the Issuer without withholding or deduction for or on account of withholding taxes imposed by the Republic of Italy or by or on behalf of any political subdivision or any authority therein having power to tax subject as provided in Condition 7(i). In the event that any deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7(i), be required to pay additional amounts to cover the amounts so deducted.  If the applicable Final Terms specify that Condition 7(ii) is applicable to the Notes, the Issuer is not obliged to gross up any payments in respect of the Notes and shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.
	All payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to the Foreign Account Tax Compliance Act, as provided in Condition 4(ii).

	<p><b>Events of Default:</b> The terms of the Notes will contain, amongst others, the following events of default:</p> <ul style="list-style-type: none"> <li>(a) default in payment of any principal or interest due in respect of the Notes, continuing for a specified period of time;</li> <li>(b) non-performance or non-observance by the Issuer of any of its other obligations under the Terms and Conditions continuing for a specified period of time;</li> <li>(c) the Issuer suspends its payments generally; and</li> <li>(d) events relating to the insolvency or winding up of the Issuer.</li> </ul>
	<p><b>Meeting of Noteholders:</b> The terms of the Notes will contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>
	<p><b>Governing law:</b> English law.</p>
<p><b>C.9</b></p>	<p><b>Interest and Redemption</b></p> <p><i>Interest</i></p> <p>Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate or a floating rate or a combination of the foregoing. Interest on interest-bearing Notes may be paid in the currency of denomination of the Notes or, if the Notes are specified as being dual currency interest Notes, in such currencies, and based on such rates of exchange, as the Issuer and the relevant Manager may agree at the time of issue of the relevant Notes.</p> <p><i>[Issue specific summary]</i></p> <p><i>[Fixed Rate Interest[s]]</i></p> <p>The Notes bear interest [from their date of issue/from [●] to [●] at the fixed rate of [●] per cent. per annum [and from [●] to [●] at the fixed rate of [●] per cent. per annum]. The yield of the Notes is [●] per cent. Interest will be paid [●] in arrear on [●] [and [●]] in each year. The first interest payment will be made on [●].</p> <p><i>[Fixed Rate Reset Interest[s]]</i></p> <p>The Notes bear interest [from their date of issue/from [●] to [●] at the fixed rate of [●] per cent. per annum and from [●] to [●] (the <b>Reset Period</b>) [and each successive Reset Period thereafter] at a fixed rate of interest per annum [of [●] per cent. per annum/calculated by reference to [<i>describe reference rate for Notes being issued</i>] [plus/minus] a margin of [●] per cent.]. The yield of the Notes is [●] per cent. Interest will be paid [●] in arrear on [●] [and [●]] in each year. The first interest payment will be made on [●].</p> <p><i>[Floating Rate Interest[s]]</i></p> <p>The Notes bear interest [from their date of issue/from [●]] at [●] floating rate[s] calculated by reference to [<i>specify reference rate(s) or difference of reference rate(s), as applicable, for Notes being issued</i>] [multiplied by a rate multiplier of [●] per cent.] [plus/minus] a margin of [●] per cent. [Subject to a maximum rate of interest of [●]] [and] [subject to a minimum rate of interest of [●]]. Interest will be paid [●] in arrear on [●] [and [●]] in each year, subject to adjustment for non-business days. The first interest payment will be made on [●].</p> <p>[The Notes may bear interest on a different interest basis in respect of different interest periods. The</p>

	<p>Issuer has the option of changing the interest basis between [fixed rate], [fixed reset rate] and [floating rate] in respect of different periods, upon prior notification of such change in interest basis to Noteholders.]</p> <p>[Interest will be paid in [<i>insert payment currency</i>].]</p> <p>[The Notes do not bear any interest [and will be offered and sold at a discount to their nominal amount].]</p>
	<p><b>Redemption</b></p> <p>The terms under which Notes may be redeemed (including the maturity date, the price at which they will be redeemed on the maturity date, the currency of redemption and rate of exchange with the currency of denomination, as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Manager at the time of issue of the relevant Notes.</p> <p><b>[Issue specific summary]</b></p> <p>Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [●] at [●]. [The Notes will be redeemed in [<i>insert payment currency</i>].]</p> <p>[The Notes may be redeemed early for tax reasons [or [<i>specify any other early redemption option applicable to the Notes being issued</i>]] at [<i>specify the early redemption price and any maximum or minimum redemption amounts, applicable to the Notes being issued</i>].</p> <p><b>Representative of holders</b></p> <p>Not Applicable – No representative of the Noteholders has been appointed by the Issuer.</p>
<b>C.10</b>	<p><b>Derivative component on interest</b></p> <p>[Not Applicable – The Notes do not have a derivative component in the interest payment.]</p> <p>[<i>Insert if Minimum Rate of Interest and/or Maximum Rate of Interest is applicable</i>: The Notes are characterised by a pure bond component and an implied derivative component [which is represented by [a put option on the minimum rate sold by the Issuer to the investors] [●] [and/or] [a call option on the maximum rate sold by the investor to the Issuer] [●].]</p>
<b>C.11</b>	<p><b>Listing and Admission to trading</b></p> <p>Notes issued under the Programme may be listed on the Official List of the Irish Stock Exchange and admitted to trading on the Regulated Market of the Irish Stock Exchange, or may be admitted to trading on the electronic order book for retail bonds on the London Stock Exchange's regulated market, or such other stock exchange, market or trading venue specified below, or may be issued on an unlisted basis.</p> <p>The Notes may be listed or admitted to trading, as the case may be, on such other further stock exchange(s) or market(s) or trading venue(s) in the jurisdictions indicated in the applicable Final Terms, as determined by the Issuer.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and if so, on which stock exchange(s) and/or market(s) and/or trading venue(s).</p>
	<p><b>[Issue specific summary:</b></p>
	<p>[Application for Notes [has been] [is expected to be] made for [listing on the Official List of the Irish Stock Exchange and for admission to trading on the Regulated Market of the Irish Stock Exchange] [for admission to trading on the electronic order book for retail bonds on the London Stock Exchange's regulated market].]</p>

	[Application for Notes [has also been] [is expected also to be] made for [listing][admission to trading][specify the market and/or trading venue(s) in Czech Republic, France, Germany, Hungary, Republic of Italy, The Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain, United Kingdom, Grand Duchy of Luxembourg, Belgium, Croatia, Denmark, Sweden, Austria, Cyprus, Greece, Malta][with effect from (or [after][around]) the Issue Date.]
	[Application may also be made by the Issuer (or on its behalf) to list the Notes on such further or other stock exchanges or regulated markets or admitted to trading on such other trading venues (including without limitation multilateral trading facilities) as the Issuer may determine.]
	[The Notes are not intended to be listed or admitted to trading.]

## SECTION D – RISKS

<b>D.2</b>	<p><b>Key risks regarding the issuer</b></p> <p>In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified a number of factors which could materially adversely affect its business and ability to make payments due under the Notes.</p> <p>These factors include:</p> <ul style="list-style-type: none"> <li>• Banca IMI's business may be adversely affected by international markets and economic conditions;</li> <li>• Negative economic developments and conditions in the markets in which Banca IMI operates may adversely affect Banca IMI's business and results of operations;</li> <li>• Banca IMI's business is sensitive to current adverse macroeconomic conditions in Italy;</li> <li>• Banca IMI's business is exposed to counterparty credit risk;</li> <li>• Deterioration in Banca IMI's loan portfolio to corporate customers may affect Banca IMI's financial performance;</li> <li>• Banca IMI's business is exposed to settlement risk and transfer risk;</li> <li>• Banca IMI's business is exposed to market risk;</li> <li>• Banca IMI's business is exposed to operational risks;</li> <li>• Banca IMI's business is exposed to liquidity risk;</li> <li>• Legal risks;</li> <li>• Banca IMI's business is exposed to risks arising from assumptions and methodologies for assessing financial assets and liabilities measured at fair value and linked to the entry into force of new accounting principles and to the amendments to the applicable accounting principles ;</li> <li>• Banca IMI's business is exposed to increasing competition in the financial services industry;</li> </ul>

	<ul style="list-style-type: none"> <li>• Banca IMI's business is exposed to risks arising from the loss of key personnel;</li> <li>• Banca IMI's framework for managing its risks may not be effective in mitigating risks and losses;</li> <li>• Banca IMI's business is exposed to reputational risk;</li> <li>• Regulatory claims may arise in the conduct of Banca IMI's business;</li> <li>• 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;</li> <li>• Banca IMI's business performance could be affected if its capital adequacy ratios are reduced or perceived to be inadequate;</li> <li>• Banca IMI's business is exposed to risk of changes in tax legislation as well as to increases in tax rates; and</li> <li>• Banca IMI's business is exposed to risk related to transactions in financial derivatives.</li> </ul>
<b>D.3</b>	<b>Key risks regarding the Notes</b>
	<p>There are also risks associated with specified types of Notes and with the Notes and the markets generally, including:</p> <ul style="list-style-type: none"> <li>• <b><i>The Notes may not be a suitable investment for all investors</i></b> Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances;</li> <li>• <b><i>Risks related to the structure of a particular issue of Notes</i></b> A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. <ul style="list-style-type: none"> <li>(i) <u><i>Fixed/Floating Rate Notes</i></u> Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing.</li> <li>(ii) <u><i>The interest rate on Fixed Rate Reset Notes will reset on each Reset Date, which can be expected to affect the interest payment on an investment in Fixed Rate Reset Notes and could affect the market value of Fixed Rate Reset Notes</i></u> Fixed Rate Reset Notes will initially earn interest at the Initial Rate of Interest until (but excluding) the first Reset Date. On the first Reset Date, however, and on each Reset Date (if any) thereafter, the interest rate will be reset to a different fixed rate of interest per annum (each such interest rate, a Reset Rate of Interest). The Reset Rate of Interest for any Reset Period could be less than Initial Rate of Interest or the Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Fixed Rate Reset Notes</li> <li>(iii) <u><i>Risks relating to Dual Currency Notes</i></u> The Issuer may issue Dual Currency Interest Notes and/or Dual Currency Redemption Notes (together, Dual Currency Notes) where the interest and/or principal is payable in one or more currencies which may be different from the currency in which the Notes are denominated. Currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations.</li> <li>(iv) <u><i>Maximum/ Minimum Rate of Interest</i></u> Potential investors should consider that where the underlying interest rate does not rise above the level of the Minimum Rate of Interest, comparable investments in notes which pay interests based on a rate which is higher than the Minimum Rate of Interest are likely to be more attractive to potential investors</li> </ul> </li> </ul>



than an investment in the Notes. Under those conditions, investors in the Notes may find it difficult to sell their Notes on the secondary market (if any) or might only be able to realise the Notes at a price which may be substantially lower than the nominal amount.

To the extent a Maximum Rate of Interest applies, investors should be aware that the Interest Rate is capped at such Maximum Rate of Interest level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affects the market value of the Notes.

(v) Notes issued at a substantial discount or premium

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

(vi) Notes subject to optional redemption by the Issuer

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

(vii) Euro-system Eligibility

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

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

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

• ***Risks related to Notes generally***

(i) Modification, waivers and substitution

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

(ii) Taxation

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

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

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

made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

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

The Issuer and other financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, "foreign passthru payments" (a term not yet defined) made after 31 December 2018. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "grandfathering date" which (A) with respect to Notes that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury Regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) with respect to Notes that give rise to a dividend equivalent pursuant to Section 871(m) of the Code as discussed below (and therefore do not give rise to foreign passthru payments), is the date that is six months after the date on which obligations of their type are first treated as giving rise to dividend equivalents, or in either case are issued on or before the grandfathering date and are materially modified thereafter, and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

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

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

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

with respect to amounts so withheld.

(v) Change of law

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

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

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

(vii) Reliance on Euroclear and Clearstream, Luxembourg procedures

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

(viii) Public offers

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

• ***Risks related to the market generally***

(i) The secondary market generally

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

(ii) Exchange rate risks and exchange controls

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

(iii) Interest rate risks

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

(iv) Credit ratings may not reflect all risks

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

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

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

- ***Legal risks***

(i) *Legal investment considerations may restrict certain investments*

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

(ii) *No reliance*

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

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

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

Holders of CDIs (CDI Holders) will hold or have an interest in a separate legal instrument and will not be holders of the Notes in respect of which the CDIs are issued (the Underlying Notes). The rights of CDI Holders to the Notes are represented by the relevant entitlements against the CREST Depository (as defined herein) which (through the CREST Nominee (as defined herein)) holds interests in the Notes. Accordingly, rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositories and custodians. The enforcement of rights under the Notes will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Notes in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where the Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer, including the CREST Deed Poll (as defined herein). Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual (as defined herein) and the CREST Rules (as defined herein) contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depository. CDI Holders are bound by such provisions and may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the amounts originally invested by them. As a result, the

	rights of, and returns received by, CDI Holders may differ from those of holders of Notes which are not represented by CDIs. In addition, CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Notes through the CREST International Settlement Links Service. Potential investors should note that none of the Issuer, the relevant Manager and the Paying Agents will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.
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## SECTION E – OFFER

Element	
<b>E.2b</b>	<p><b>Use of proceeds</b></p> <p>The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.</p>
	<i>[Issue specific summary]</i>
	The net proceeds from the issue of Notes will be applied by the Issuer [for its general corporate purposes] [and] [ <i>specify other</i> ].
<b>E.3</b>	<p><b>Terms and conditions of the offer:</b></p> <p>If so specified in the relevant Final Terms, the Notes may be offered to the public in a Public Offer in one or more specified Public Offer Jurisdictions.</p>
	The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Managers at the time of issue and specified in the applicable Final Terms. Offers of the Notes are conditional on their issue. An Investor intending to acquire or acquiring any Notes in a Public Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.
	<i>Issue specific summary:</i>
	[Not Applicable - the Notes are issued in denominations of at least €100,000 (or its equivalent in any other currency.)]
	[Not Applicable - the Notes are not being offered to the public as part of a Public Offer.]
	The issue price of the Notes is [●] per cent. of their nominal amount.

	<i>[Summarise the terms of any Public Offer as set out in paragraph [●] and section [●] of Part B of the Final Terms]</i>
<b>E.4</b>	<p><b>Description of any interest of natural and legal persons involved in the issue/offer that is material to the issue/offer including conflicting interests</b></p> <p>The relevant Managers may be paid fees in relation to any issue of Notes under the Programme. Any such Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and their affiliates in the ordinary course of business.</p>
	<i>Issue specific summary</i>
	[Other than as mentioned above, [and save for [any fees payable to the Manager [and any other Authorised Offeror]] [●],] so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.]
<b>E.7</b>	<p><b>Expenses charged to the investor by the Issuer or an Authorised Offeror</b></p> <p><i>[Issue specific summary:</i></p>
	[No expenses are being charged to an investor by the Issuer [or any Authorised Offeror]. [For this specific issue, however, expenses may be charged by an Authorised Offeror (as defined above) in the range between [●] per cent. and [●] per cent. of the nominal amount of the Notes to be purchased by the relevant investor.]] <i>[Specify other]</i>