



This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Rules”) for the purpose of giving information with regard to the Issuer and the Guarantor. The Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in the Listing Documents (as defined below) and confirms, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in the Listing Documents misleading. This document is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the CBBCs described below. Hong Kong Exchanges and Clearing Limited (“HKEx”), The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

**Investors are warned that the price of the CBBCs may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the CBBCs and carefully study the risk factors set out in this document and, where necessary, seek professional advice, before they invest in the CBBCs.**

The CBBCs constitute general unsecured contractual obligations of the Issuer and of no other person and if you purchase the CBBCs, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the CBBCs against the index compiler of any underlying index.

**Supplemental Listing Document for Callable Bull/Bear Contracts (“CBBCs”) issued by**

**BNP PARIBAS ARBITRAGE ISSUANCE B.V. (“Issuer”)**

*(incorporated in The Netherlands with its statutory seat in Amsterdam)*

**unconditionally and irrevocably guaranteed by**

**BNP PARIBAS (“Guarantor”)**

*(incorporated in France)*

**Sponsor**

**BNP Paribas Securities (Asia) Limited**

**Key terms**

CBBCs	
Stock code	62174
Issue size	200,000,000 CBBCs
Style/ Category	European style cash settled category R
Type	Bull
Index	Hang Seng China Enterprises Index
Board Lot	10,000 CBBCs
Issue Price per CBBC (HK\$)	0.25
Funding Cost as of the Launch Date <sup>#</sup>	4.70% p.a.
Strike Level	9,000
Call Level	9,200
Cash Settlement Amount per Board Lot (if any) payable at expiry	Subject to no occurrence of a Mandatory Call Event (see the section “Overview of CBBCs” in this document for further details), you will receive a Cash Settlement Amount (if positive) calculated as follows for each Board Lot: $\frac{(\text{Closing Level} - \text{Strike Level}) \times \text{Index Currency Amount} \times \text{one Board Lot}}{\text{Divisor}}$
Closing Level	The final settlement price for settling the Hang Seng China Enterprises Index December 2012 Futures Contracts (the “Index Futures Contracts”), determined pursuant to Regulation 012 of the Regulations for Trading Stock Index Futures and the Contract Specifications for Hang Seng China Enterprises Index Futures Contracts (as amended from time to time) of the Hong Kong Futures Exchange Limited, subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in Product Condition 1
Index Currency Amount (HK\$)	1.00
Divisor	5,000
Launch Date	15 May 2012
Issue Date	21 May 2012
Listing date* (“Dealing Commencement Date”)	22 May 2012
Observation Commencement Date for Mandatory Call Event	22 May 2012
Expiry Date/Valuation Date <sup>Δ</sup>	28 December 2012

<sup>#</sup> Funding costs: HIBOR 6 months + 4.10% p.a.

<sup>\*</sup> If such date is not a Business Day, the immediately succeeding Business Day. “Business Day” means a day (excluding Saturdays) on which the Stock Exchange is scheduled to open for dealings in Hong Kong and banks are open for business in Hong Kong.

<sup>Δ</sup> If such date is not the day on which the Index Futures Contracts expire on the Hong Kong Futures Exchange Limited, the day on which the Index Futures Contracts expire on the Hong Kong Futures Exchange Limited (or its successor or assign).

You must read the above together with our base listing document dated 29 March 2012 (the “Base Listing Document”) (as supplemented by an addendum dated 30 April 2012 (the “Addendum”)), in particular, the risk factors highlighted in the section headed “Risk Factors” and the sections headed “General Conditions of Structured Products” (the “General Conditions”) and “Product Conditions of Cash Settled Callable Bull/Bear Contracts over an Index” (“Product Conditions”) set out in Appendix 1 and Part B of Appendix 3 of the Base Listing Document respectively (collectively, the “Conditions”).

## IMPORTANT INFORMATION

**The CBBCs are structured products which involve derivatives. You should study carefully the risk factors set out in this document and the Listing Documents. Do not invest in them unless you fully understand and are willing to assume the risks associated with them.**

### What is this document about?

This document is for information purposes only and does not constitute an offer, an advertisement or invitation to the public to subscribe for or to acquire the CBBCs.

It is possible that there may have been dealings in the CBBCs since the Launch Date.

### What documents should you read before investing in the CBBCs?

You must read this document together with our Base Listing Document (as supplemented by the Addendum and any addenda to be issued from time to time) (together, the “**Listing Documents**”). The Listing Documents are accurate as at the date of this document. You should carefully study the risk factors set out in the Listing Documents.

### What are the Guarantor’s credit ratings?

Our obligations in relation to the CBBCs will be unconditionally and irrevocably guaranteed by the Guarantor. The Guarantor’s long term debt ratings are:

Rating agency	Rating as of the Launch Date
Moody’s Investors Service, Inc.	Aa3
Standard & Poor’s Ratings Group	AA-
Fitch Ratings	A+

Rating agencies usually receive a fee from the entities that they rate. When evaluating the Guarantor’s creditworthiness, you should not solely rely on the Guarantor’s credit ratings because:

- a credit rating is not a recommendation to buy, sell or hold the CBBCs;
- credit ratings of the Guarantor may involve difficult-to-quantify factors such as market competition, the success or failure of new products and markets and managerial competence; and
- a high credit rating is not necessarily indicative of low risk. The Guarantor’s credit ratings as of the launch date are for reference only and may be subject to change thereafter. You may visit [www.bnpparibas.com](http://www.bnpparibas.com) to obtain information about the credit ratings of the Guarantor. Any downgrading of the Guarantor’s credit ratings could result in a reduction in the value of the CBBCs.

### The CBBCs are not rated.

### Are we regulated by any bodies referred to in Rule 15A.13(2) or (3) of the Listing Rules?

We are not regulated by any of the bodies referred to in Rule 15A.13(2) or (3) of the Listing Rules. The Guarantor is regulated by the Hong Kong Monetary Authority. The Guarantor is also regulated by Comité des Établissements de Crédit et des Entreprises d’Investissement.

### Are we subject to any litigation?

Save as disclosed in the Listing Documents, we, the Guarantor and our respective subsidiaries are not aware of any litigation or claims of material importance pending or threatened against any of us.

### Authorisation for the CBBCs

The issue of the CBBCs was authorised by our board of directors on 10 May 2012.

### Unsecured nature of the CBBCs

The CBBCs constitute our general, unsecured and contractual obligations and of no other person, and the Guarantee executed by the Guarantor in respect of the CBBCs constitutes the general, unsecured and contractual obligations of the Guarantor and of no other person. The CBBCs will rank equally among themselves and with all our other unsecured obligations and all other unsecured obligations of the Guarantor (save for those obligations preferred by law) upon liquidation. If you purchase the CBBCs, you are relying upon our creditworthiness and the creditworthiness of the Guarantor and have no rights under the CBBCs against the Index Compiler of the Index and any of the companies comprising the Index.

### Has our financial position changed since last financial year-end?

Save as disclosed in the Listing Documents, there has been no material adverse change in the financial or trading position of us or the Guarantor since 31 December 2011.

### Do I need to pay any transaction cost?

The Stock Exchange charges a trading fee of 0.005 per cent. and the Securities and Futures Commission charges a transaction levy of 0.003 per cent. in respect of each transaction effected on the Stock Exchange payable by each of the seller and the buyer and calculated on the value of the consideration for the CBBCs. You do not need to pay any stamp duty in respect of the CBBCs. The levy for the investor compensation fund is currently suspended.

### Where can I inspect the relevant documents?

The following documents are available for inspection during usual business hours on any weekday (except public holidays) until the Expiry Date at the office of King & Wood Mallesons at 13/F, Gloucester Tower, The Landmark, 15 Queen’s Road Central, Central, Hong Kong

- our latest audited financial statements and any interim or quarterly financial statements and the latest audited financial statements and any interim or quarterly financial statements of the Guarantor;
- consent letters of the Auditors;
- each of the Listing Documents (in separate English and Chinese versions);
- the instrument executed by us on 3 May 2006; and
- the Guarantee executed by the Guarantor dated as of 29 March 2012.

The Listing Documents are also available on the website of HKEx at [www.hkex.com.hk](http://www.hkex.com.hk).

各上市文件亦可於港交所網站 [www.hkex.com.hk](http://www.hkex.com.hk) 瀏覽。

### Have the auditors consented to the inclusion of their report to the Listing Documents?

As at the date of this document, our auditors and the Guarantor’s auditors (collectively, the “**Auditors**”) have given and have not withdrawn their written consents to the inclusion of their reports respectively dated 16 April 2012 and 7 March 2012 in the Listing Documents in the form and context in which they are included. Their reports were not prepared for incorporation into the Listing Documents.

The Auditors do not hold the Guarantor’s shares or shares in its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for the Guarantor’s securities or securities of any of its subsidiaries.

### Selling restriction

The CBBCs have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

The offer or transfer of the CBBCs is also subject to the selling restrictions specified in our Base Listing Document.

### Capitalised terms and inconsistency

Unless otherwise specified, capitalised terms used in this document have the meanings set out in the Conditions. Terms used in this document apply to the CBBCs described on the cover page. If this document is inconsistent with our Base Listing Document (as supplemented by any addenda to be issued from time to time), this document prevails.

### Additional information about us and/or the Guarantor

You may visit [www.bnpparibas.com](http://www.bnpparibas.com) to obtain information about us and/or the Guarantor. You must read the Addendum and the section headed “Additional Information on us and/or the Guarantor” which contains further information on us and/or the Guarantor after the date of our Base Listing Document. The information set out in the Addendum and the section headed “Additional Information on us and/or the Guarantor” supplements the information set out in our Base Listing Document.

## OVERVIEW OF CBBCS

### What are CBBCs?

CBBCs are a type of structured product that tracks the performance of the underlying assets.

The trading price of every Board Lot of the CBBCs tends to mirror the movement of the Index level in dollar value. For example, if the level of the Index increases by 100 points, the trading price of every Board Lot of the CBBCs generally increases (in respect of a series of bull CBBCs) or decreases (in respect of a series of bear CBBCs) by an amount equal to:

$$100 \text{ points} \times \text{Index Currency Amount}$$

Similar to derivative warrants, CBBCs may provide leveraged return to you (but conversely, it could also magnify your losses).

### How do our CBBCs work?

The CBBCs are issued as bull CBBCs.

Bull CBBCs are designed for investors who have an optimistic view on the Index.

The CBBCs are “European Style” and, subject to the mandatory call feature describe below, are only exercisable on the Expiry Date.

Subject to the limited circumstances set out in Product Condition 3.3(b) in which a Mandatory Call Event may be reversed, we must terminate the CBBCs when a Mandatory Call Event occurs (see “What is the mandatory call feature of CBBCs?” below).

The CBBCs will be issued as Category R CBBCs. Your entitlement following the occurrence of a Mandatory Call Event is set out in further details in “What is the mandatory call feature of CBBCs?” below.

If a Mandatory Call Event does not occur, the CBBCs will be exercised automatically on the Expiry Date by payment of a Cash Settlement Amount (if any) on the Settlement Date.

The Cash Settlement Amount (if any) payable at expiry represents the difference between the Closing Level of the Index on the Valuation Date and the Strike Level less any Exercise Expenses. If on the Expiry Date, the Cash Settlement Amount is zero or a negative amount, you will lose all your investments in the CBBCs.

### What is the mandatory call feature of CBBCs?

#### *Mandatory Call Event*

A Mandatory Call Event occurs when the Spot Level (as compiled and published by the Index Compiler) of the Index on any Index Business Day during the Observation Period is at or below the Call Level.

The Observation Period commences from the Observation Commencement Date up to and including the close of trading on the Index Exchange on the last Trading Day (Hong Kong time) prior to the Expiry Date.

Subject to the limited circumstances set out in Product Condition 3.3(b) in which a Mandatory Call Event may be reversed, all Post MCE Trades (as defined in the paragraph headed “Mandatory Call Event” under the section headed “Issue Details, Liquidity and Settlement” on page 6 of this document) will be invalid and will be cancelled, and will not be recognised by us or the Stock Exchange.

The time at which a Mandatory Call Event occurs will be determined by reference to the time the Index level is published by the Index Compiler.

#### *Category N CBBCs or Category R CBBCs*

The CBBCs are Category R CBBCs as the Call Level is different from the Strike Level. You may receive a cash payment (if any) called the Residual Value upon the occurrence of a Mandatory Call Event.

The Residual Value (if any) payable is calculated by reference to the difference between the Minimum Index Level during a period after the Mandatory Call Event called the “MCE Valuation Period” and the Strike Level. See “Cash Settlement Amount upon the occurrence of a Mandatory Call Event” in the section headed “Issue Details, Liquidity and Settlement” for the calculation formula of the Residual Value.

You should read the Conditions and the rest of this document carefully to understand your entitlement (if any) following a Mandatory Call Event.

### What are the factors determining the price of CBBCs?

Throughout the term of the CBBCs, the price of the CBBCs will be influenced by a number of factors, including:

- the Call Level and the Strike Level;
- the time remaining to expiry;
- the probable range of the Cash Settlement Amount;
- any change(s) in interim interest rates;
- expected dividend payments or other distribution on any components comprising the Index;
- the depth of the market or liquidity of future contracts relating to the Index;
- any related transaction costs;
- the probable range of Residual Value (if any) upon the occurrence of a Mandatory Call Event;
- the supply and demand of the CBBCs;
- the creditworthiness of the Guarantor and us; and
- the likelihood of the occurrence of a Mandatory Call Event.

### What is your maximum loss?

The maximum loss in CBBCs will be limited to your investment amount plus any transaction cost.

**Can you sell the CBBCs before maturity?**

Yes. We have made an application for listing of, and permission to deal in, the CBBCs on the Stock Exchange. All necessary arrangements have been made to enable the CBBCs to be admitted into the Central Clearing and Settlement System (“CCASS”). Issue of the CBBCs is conditional upon listing being granted. From the Dealing Commencement Date, you may sell or buy the CBBCs on the Stock Exchange.

The Liquidity Provider will make a market in the CBBCs by providing bid and/or sell prices. See “Liquidity” on page 7 for further information.

**How can you get information about the CBBCs and the Index after issue?**

You may visit the HKEx’s website at [www.hkex.com.hk/eng/prod/secprod/cbbc/intro.htm](http://www.hkex.com.hk/eng/prod/secprod/cbbc/intro.htm) or our website at [www.bnppwarrant.com.hk](http://www.bnppwarrant.com.hk) to obtain information on the CBBCs or any notice given by us or the Stock Exchange in relation to the CBBCs. You may go to the website at [www.hsi.com.hk](http://www.hsi.com.hk) to obtain updated information about the Index.

We have included references to websites in this document to indicate how further information may be obtained. Information appearing on those websites does not form part of the Listing Documents. You should conduct your own web searches to ensure that you are viewing the most up-to-date information.

## INFORMATION ON THE INDEX

The information on the Index set out below is extracted from or based on publicly available information and, in particular, information from the Index Compiler. We do not give any representation whatsoever as to the truth, accuracy, completeness, adequacy or reasonableness of any of the information contained therein whether as at the date of this document or any other time, save that we have taken reasonable care to correctly extract, summarise and/or reproduce such information.

**Index Compiler** Hang Seng Indexes Company Limited. The Index is managed and compiled by the Index Compiler, which is a wholly-owned subsidiary of Hang Seng Bank Limited.

**Description of the Index** The Index tracks the performance of H-shares listed in Hong Kong.

**Constituent stocks of the Index** An updated list of the constituent stocks comprising the Index is available at <http://www.hsi.com.hk>.

**Calculation methodology** The Index Compiler has adopted a freefloat-adjusted market capitalisation weighted methodology with a designated cap on each constituent weighting for calculation of the Index level in accordance with the following formula:

$$\text{Current Index} = \frac{\sum(P_t \times \text{IS} \times \text{FAF} \times \text{CF})}{\sum(P_{t-1} \times \text{IS} \times \text{FAF} \times \text{CF})} \times \text{Yesterday's Closing Index}$$

$P_t$	:	Current Price at Day t
$P_{t-1}$	:	Closing Price at Day (t-1)
IS	:	Issued Shares
FAF	:	Freefloat-adjusted Factor, which is between 0 and 1
CF	:	Cap Factor, which is between 0 and 1

The designated cap and an updated list of FAF and CF for each H-share are set out on the website at <http://www.hsi.com.hk>.

**Dissemination of the Index level** The Index level is disseminated through the website of the Index Compiler at <http://www.hsi.com.hk> and various information vendors. You should contact your stockbroker for further information.

**Arrangements if the Index is not published by the Index Compiler** Under the licence granted by Hang Seng Data Services Limited for our use of the Index, if the Index Compiler ceases to calculate and publish the Index, the Index Compiler shall inform us as soon as practicable specifying whether or not a replacement or substitute index will be available, in which case, we shall have the right to use such replacement or substitute index in connection with the CBBCs. If the Index Compiler does not offer any replacement or substitute index, we will have an option either to terminate the use of the Index or continue to use the formula of the Index and its constituent stocks existing immediately prior to such cessation for the sole purpose of calculating the Cash Settlement Amount and any related value of the CBBCs.

<b>Historic highs or lows of the Index for the last 5 years</b>	<i>Year</i>	<i>Highest closing level</i>	<i>Lowest closing level</i>
	2007	20,400.07	8,528.46
	2008	16,139.46	4,990.08
	2009	13,751.65	6,582.23
	2010	14,204.13	10,729.05
	2011	13,684.06	8,102.58
	2012 (as at the Launch Date)	11,826.76	9,986.98

**Closing level of the Index** According to the information published on the Index Compiler's website, the closing level of the Index as at the close of business on the Launch Date (the latest most practicable date prior to the date of this document) was 10,084.59.

## Index disclaimer

The Hang Seng China Enterprises Index (the “**Index**”) is published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name “Hang Seng China Enterprises Index” are proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index by BNP PARIBAS ARBITRAGE ISSUANCE B.V. in connection with the CBBCs (the “**Product**”), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF THE INDEX AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDEX OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDEX IS GIVEN OR MAY BE IMPLIED.** The process and basis of computation and compilation of the Index and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by Hang Seng Indexes Company Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDEX BY BNP PARIBAS ARBITRAGE ISSUANCE B.V. IN CONNECTION WITH THE PRODUCT; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF THE INDEX; OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDEX WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE PRODUCT AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Product in any manner whatsoever by any broker, holder or other person dealing with the Product. Any broker, holder or other person dealing with the Product does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on Hang Seng Indexes Company Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and Hang Seng Indexes Company Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship.

## ISSUE DETAILS, LIQUIDITY AND SETTLEMENT

You must read this summary together with the Listing Documents, in particular, the Conditions.

### Issue details

#### **Mandatory Call Event:**

A Mandatory Call Event occurs when the Spot Level is at or below the Call Level during the Observation Period.

“**Spot Level**” means the spot level of the Index as compiled and published by the Index Compiler.

Subject to Product Condition 3.3(b), upon the occurrence of a Mandatory Call Event, we must terminate the CBBCs at the Cash Settlement Amount (if any). If the Cash Settlement Amount is less than or equal to zero, you will lose all your value of investment in the CBBCs.

Subject to such modification and amendment prescribed by the Stock Exchange from time to time, all trades in the CBBCs concluded via auto-matching or manually after the time of the occurrence of a Mandatory Call Event, and in the case where the Mandatory Call Event occurs during a pre-opening session or a closing auction session (if applicable), all auction trades in the CBBCs concluded in such session and all manual trades concluded after the end of the pre-order matching period in such session (“**Post MCE Trades**”), will be invalid and will be cancelled and will not be recognised by us or the Stock Exchange.

#### **Cash Settlement Amount upon the occurrence of a Mandatory Call Event:**

Upon termination of the CBBCs following the occurrence of a Mandatory Call Event, you are entitled to receive a Residual Value (if positive) in Hong Kong Dollars calculated as follows:

$$\text{Residual Value per Board Lot} = \frac{(\text{Minimum Index Level} - \text{Strike Level}) \times \text{Index Currency Amount} \times \text{one Board Lot}}{\text{Divisor}}$$

Where:

“**Minimum Index Level**” means the lowest Spot Level of the Index during the MCE Valuation Period; and

“**MCE Valuation Period**” means, subject to any extension (as described in further details in the Product Conditions), the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Index Exchange.

<b>Form of the CBBCs</b>	The CBBCs will be represented by a global certificate in the name of HKSCC Nominees Limited. We will not issue definitive certificates for the CBBCs. You may arrange for your broker to hold the CBBCs in a securities account on your behalf, or if you have a CCASS Investor Participant securities account, you may arrange for the CBBCs to be held in such account. You will have to rely on the records of CCASS and/or the statements you receive from your brokers as evidence of your beneficial interest in the CBBCs.
<b>Index Exchange</b>	The Stock Exchange of Hong Kong Limited
<b>Exchange Rate</b>	Not applicable
<b>First Exchange Rate</b>	Not applicable
<b>Interim Currency</b>	Not applicable
<b>Second Exchange Rate</b>	Not applicable
<b>Settlement Currency</b>	The CBBCs will be settled at expiry in Hong Kong Dollars
<b>Stock Exchange</b>	The Stock Exchange of Hong Kong Limited. No application has been made to list the CBBCs on any other exchange.

### Liquidity

<b>Liquidity Provider</b>	BNP Paribas Securities (Asia) Limited (broker ID number: 9539). The Liquidity Provider is our affiliate and is regulated by the Stock Exchange and the Securities and Futures Commission. It will act as our agent in providing quotes.
<b>Quotes</b>	<p>You can request a quote by calling the Liquidity Provider at:</p> <p>telephone number: +852 2108 5600.</p> <p>The Liquidity Provider will respond within 15 minutes. The quote will be provided with a maximum of a 25 tick spread between bid and offer prices for a minimum of ten Board Lots of the CBBCs. The quote will be displayed on the Stock Exchange's designated stock page for the CBBCs.</p>
<b>Factors for determining the bid and offer prices</b>	The Liquidity Provider will consider factors, including, without limitation, the Call Level, the Strike Level, the prevailing level of the Index, the volatility of the Index, the prevailing interest rates, the time left to the expiry of the CBBCs, the expected life of the CBBCs and the funding cost.
<b>Circumstances under which liquidity will not be provided</b>	<ul style="list-style-type: none"> <li>(i) during the first five minutes after trading commences for the first time;</li> <li>(ii) during a pre-opening session or a closing auction session (if applicable) or any other circumstances as may be prescribed by the Stock Exchange from time to time;</li> <li>(iii) when the CBBCs are suspended from trading for any reason;</li> <li>(iv) when there are no CBBCs available for market making, in which event, only a bid price will be available. CBBCs held by us, the Guarantor or any of our affiliates in a fiduciary or agency capacity are not CBBCs available for market making;</li> <li>(v) on the Expiry Date;</li> <li>(vi) when operational and technical problems affecting the market making activities arise;</li> <li>(vii) if the stock market experiences exceptional price movement and volatility;</li> <li>(viii) if a market disruption event occurs;</li> <li>(ix) when the ability of the Liquidity Provider acting on our behalf to source a hedge or unwind an existing hedge is materially affected by the prevailing market condition; and</li> <li>(x) if the theoretical value of the CBBCs is less than HK\$0.01. For the avoidance of doubt, if the Liquidity Provider chooses to provide liquidity under this circumstance, both bid and ask prices will be made available.</li> </ul>

## Settlement

<b>Settlement date upon a transfer</b>	<p>The CBBCs may only be transferred in a Board Lot (or integral multiples thereof) in accordance with the CCASS Rules. Where a transfer of CBBCs takes place on the Stock Exchange, settlement must currently be made not later than two Trading Days.</p> <p>Hong Kong stamp duty is not chargeable upon the transfer of CBBCs whether pursuant to dealings on the Stock Exchange or otherwise.</p>
<b>Early termination and exercise</b>	<p>Trading in the CBBCs will be suspended immediately upon the occurrence of a Mandatory Call Event and, subject to the limited circumstances set out in Product Condition 3.3(b) in which a Mandatory Call Event may be reversed, all the Post MCE Trades will be invalid and will be cancelled and will not be recognised by us or the Stock Exchange.</p> <p>Subject to early termination upon the occurrence of a Mandatory Call Event, the CBBCs will be automatically exercised on the Expiry Date in integral multiples of the Board Lot if the Cash Settlement Amount is positive; otherwise, you will lose all of your investment. We will deliver the Cash Settlement Amount (if any) net of any Exercise Expenses to HKSCC Nominees Limited, which will then distribute the received Cash Settlement Amount (net of any Exercise Expenses) to the securities account of your broker or to your CCASS Investor Participant securities account (as the case may be).</p>
<b>Exercise Expenses</b>	<p>You are responsible for any Exercise Expenses. Exercise Expenses mean any charges or expenses including any taxes or duties which are incurred in respect of the exercise of the CBBCs. The Cash Settlement Amount is payable net of any Exercise Expenses.</p>
<b>Settlement Date upon automatic exercise at expiry</b>	<p>Within 3 CCASS Settlement Days after the MCE Valuation Date or the Valuation Date (as the case may be).</p>

## RISK FACTORS

You must read these risk factors together with the risk factors set out in our Base Listing Document.

### **You may lose all your investment in the CBBCs**

The price of the CBBCs may fall in value as rapidly as it may rise and you should be prepared to sustain a significant or total loss of the purchase price of the CBBCs. In particular, if the Cash Settlement Amount payable at expiry or at the Residual Value payable upon the occurrence of a Mandatory Call Event is less than or equal to zero, you will lose all of your investment in the CBBCs.

#### **Mandatory Call Event is irrevocable**

A Mandatory Call Event is irrevocable unless it is triggered as a result of any of the following events:

- (a) system malfunction or other technical errors of HKEx (such as the setting up of wrong Call Price or Call Level and other parameters); or
- (b) manifest errors caused by the Index Compiler (such as miscalculation of the index level by the Index Compiler),

and in each case, we agree with the Stock Exchange that such Mandatory Call Event is to be revoked provided that such mutual agreement must be reached no later than 30 minutes before the commencement of trading (including the pre-opening session) (Hong Kong time) on the Trading Day immediately following the Trading Day on which the Mandatory Call Event is triggered or such other time frame as prescribed by the Stock Exchange from time to time.

#### **Delay in announcements of a Mandatory Call Event**

The Stock Exchange will notify the market as soon as practicable after the CBBCs has been called. You must however be aware that there may be delay in the announcements of a Mandatory Call Event due to technical errors or system failures and other factors that are beyond our controls or the control of the Stock Exchange.

#### **Non-recognition of Post MCE Trades**

The Stock Exchange and its recognised exchange controller, HKEx, shall not incur any liability for any direct, consequential, special, indirect, economic, punitive, exemplary or any other loss or damage suffered or incurred by us or any other party arising from or in connection with the Mandatory Call Event or the suspension of trading (“**Trading Suspension**”) or the non-recognition of trades after a Mandatory Call Event (“**Non-Recognition of Post MCE Trades**”), including without limitation, any delay, failure, mistake or error in the Trading Suspension or Non-Recognition of Post MCE Trades.

Neither we nor any of our affiliates has any responsibility towards you for any losses suffered as a result of the Trading Suspension in connection with the occurrence of a Mandatory Call Event and/or Non-Recognition of Post MCE Trades, notwithstanding that such Trading Suspension or Non-Recognition of Post MCE Trades occurs as a result of an error in the observation of the event.

### **Fluctuation in the Funding Cost**

The Issue Price of the CBBCs is set by reference to the difference between the initial reference spot level of the Index as of the Launch Date and the Strike Level, plus the applicable Funding Cost. The Funding Cost applicable to the CBBCs is specified on the cover page. It will fluctuate throughout the life of the CBBCs as the funding rate changes from time to time. The funding rate is a rate determined by us based on one or more of the following factors, including, but not limited to, the Strike Level, the prevailing interest rate, the expected life of the CBBCs and any expected notional dividends in respect of any securities comprising the Index.

#### **Unwinding of hedging arrangements**

The trading and/or hedging activities of the BNP Group related to CBBCs and/or other financial instruments issued by us from time to time may have an impact on the Index level and may trigger a Mandatory Call Event.

In particular, when the Index is trading close to the Call Level, our unwinding activities may cause a movement in the Index level, triggering a Mandatory Call Event as a result of such unwinding activities.

We may unwind our hedging transactions relating to the CBBCs in proportion to the amount of the CBBCs we repurchase from time to time. Upon the occurrence of a Mandatory Call Event, we may unwind any hedging transactions in relation to the CBBCs. Such unwinding activities after the occurrence of a Mandatory Call Event may affect the Index level and consequently the Residual Value payable.

#### **CBBCs may expire worthless**

Unlike stocks, the CBBCs have a limited life and will expire at the Expiry Date. In the worst case, the CBBCs may expire with no value. The CBBCs are only suitable for experienced investors who have a positive (in respect of a series of bull CBBCs) or negative (in respect of a series of bear CBBCs) view on the Index during the term of the CBBCs and are willing to accept the risk that they may lose all their investment.

#### **There is no assurance that the value of the CBBCs will correlate with movements of the level of the Index**

The value of the CBBCs may not correspond with the movements in the level of the Index. If you buy the CBBCs with a view to hedge against your exposure to any futures contract, it is possible that you could suffer loss in both of your investment in that futures contract and the CBBCs.

In particular, you should note that when the Index level is close to the Call Level, the trading price of the CBBCs will be more volatile, which may not be comparable and may be disproportionate with the change in the Index level.

**Possible early termination for illegality or impracticality**

If we determine in good faith and in a commercially reasonable manner that, for reasons beyond our control, the performance of our obligations under the CBBCs has become illegal or impractical or it is no longer desirable or practical for us to maintain our hedging arrangement with respect to the CBBCs, we may terminate early the CBBCs. If we terminate early the CBBCs, we will, if and to the extent permitted by applicable law, pay an amount determined by us in good faith and in a commercially reasonable manner to be its fair market value notwithstanding the illegality or impracticality less the cost to us of unwinding any related hedging arrangements.

**The Listing Documents are not the sole basis for making an investment decision**

The Listing Documents do not take into account your investment objectives, financial situation or particular needs. Nothing in the Listing Documents should be construed as a recommendation by us or our affiliates to invest in the CBBCs or any futures contracts relating to the Index.

**Adjustment related risk**

The occurrence of certain events (including a market disruption event, modification or cessation of the Index by the Index Compiler) may entitle us to adjust the terms and conditions of the CBBCs. However, we are not obliged to adjust the terms and conditions of the CBBCs for every event that affects the Index. Any adjustment or decision not to make any adjustment may adversely affect the value of the CBBCs. See Product Condition 4 for details about such adjustments.

**Possible limited secondary market**

The Liquidity Provider may be the only market participant for the CBBCs and therefore the secondary market for the CBBCs may be limited. The more limited the secondary market, the more difficult it may be for you to realise the value in the CBBCs prior to expiry.

**Various potential and actual conflicts of interests**

We, the Guarantor and any of our subsidiaries and affiliates engage in a wide range of commercial and investment banking, brokerage, funds management, hedging, investment and other activities and may possess or acquire material information about the Index. Such activities and information may involve or otherwise affect the Index and may cause consequences adverse to you. We, the Guarantor and any of our respective subsidiaries and affiliates have no obligation to disclose such information and may engage in any such activities without regard to the issue of and effect of these activities on the CBBCs.

In the ordinary course of our business, we, the Guarantor and any of our respective subsidiaries and affiliates may effect transactions for our own account or for the account of our customers and may enter into one or more hedging transactions with respect to the Index or related derivatives. This may indirectly affect your interests.

**Publication of Index level when component shares are not trading**

The Index Compiler may publish the Index level at a time when one or more shares comprising the Index are not trading.

## **ADDITIONAL INFORMATION ON US AND/OR THE GUARANTOR**

### ***Supplemental information in relation to us***

As at the date of this document, there is no supplemental information relating to us, except for information contained in this document and the Listing Documents.

### ***Supplemental information in relation to the Guarantor***

An extract of the press release dated 4 May 2012 relating to the unaudited consolidated financial results of the Guarantor for the 3 months ended 31 March 2012 is set out in Appendix A of this document.

**APPENDIX A**  
**EXTRACT OF THE PRESS RELEASE DATED 4 MAY 2012 RELATING TO THE**  
**UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF THE GUARANTOR FOR**  
**THE 3 MONTHS ENDED 31 MARCH 2012**

The information in this Appendix A has been extracted from the Guarantor's press release dated 4 May 2012 relating to its unaudited consolidated financial results for the 3 months ended 31 March 2012. The information in this Appendix A is not complete and references should be made to such press release which can be downloaded from "BNP Paribas Group: Results as at 31 March 2012" at [www.bnpparibas.com](http://www.bnpparibas.com).



## CONSOLIDATED PROFIT AND LOSS ACCOUNT

<i>€m</i>	1Q12	1Q11	1Q12 / 1Q11	4Q11	1Q12/ 4Q11
Revenues	9,886	11,685	-15.4%	9,686	+2.1%
Operating Expenses and Dep.	-6,847	-6,728	+1.8%	-6,678	+2.5%
Gross Operating Income	3,039	4,957	-38.7%	3,008	+1.0%
Cost of Risk	-945	-919	+2.8%	-1,518	-37.7%
Operating Income	2,094	4,038	-48.1%	1,490	+40.5%
Share of Earnings of Associates	154	95	+62.1%	-37	n.s.
Other Non Operating Items	1,690	-24	n.s.	-127	n.s.
Non Operating Items	1,844	71	n.s.	-164	n.s.
Pre-Tax Income	3,938	4,109	-4.2%	1,326	n.s.
Corporate Income Tax	-927	-1,175	-21.1%	-386	n.s.
Net Income Attributable to Minority Interests	-144	-318	-54.7%	-175	-17.7%
Net Income Attributable to Equity Holders	2,867	2,616	+9.6%	765	n.s.
Cost/Income	69.3%	57.6%	+11.7 pt	68.9%	+0.4 pt

***BNP Paribas' financial disclosures for the first quarter 2012 are contained in this press release and in the presentation attached herewith.***

***All legally required disclosures, including the Registration document, are available online at <http://invest.bnpparibas.com> in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the Autorité des Marchés Financiers' general rules.***

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