

# SOCIÉTÉ GÉNÉRALE INDEX-LINKED NOTES

## PRODUCT SUPPLEMENT

(To the Offering Memorandum dated April 11, 2013)

Payment or delivery of all amounts due and payable or deliverable under the Index-Linked Notes is irrevocably and unconditionally guaranteed pursuant to a Guarantee issued by

**Société Générale, New York Branch**

We, Société Générale, a société anonyme incorporated in the Republic of France (the “**Issuer**”), may offer from time to time, pursuant to the offering memorandum dated April 11, 2013 (as supplemented and amended from time to time, the “**Offering Memorandum**”), and this product supplement (the “**Product Supplement**”), the Index-Linked Notes (each, a “**Note**” and together, the “**Notes**”) as part of one or more series of notes, certificates or securities issued by us under the **Program** (as defined herein). The specific terms of each offering of Notes will be set forth in the applicable pricing supplement (the “**Pricing Supplement**”). You should read this Product Supplement, the Offering Memorandum, and the applicable Pricing Supplement carefully before investment in the Notes. If the terms described in this Product Supplement are different or inconsistent with those described in the Offering Memorandum, the terms described in this Product Supplement will govern the Notes. If the terms described in the applicable Pricing Supplement are different or inconsistent with those described herein or in the Offering Memorandum, the terms described in the applicable Pricing Supplement will govern the Notes.

### **General Terms of the Notes:**

**Payment at Maturity:** If you hold your Notes to maturity (or Redemption), for each Note, you may receive a payment, which may or may not include the return of all or any portion of your initial investment, as specified in the applicable Pricing Supplement, subject to the credit risk of the Issuer and the Guarantor.

**Early Redemption:** Terms of specific Notes may permit or require early redemption at the option of the Issuer (“**Early Redemption**”). Unless otherwise specified in the applicable Pricing Supplement, you may not redeem the Notes prior to Redemption. The applicable Pricing Supplement will indicate the terms of the Early Redemption option, if any.

**Redemption:** For purposes of this Product Supplement, each of the maturity, accelerated maturity and/or Early Redemption of the Notes shall be referred to as “**Redemption**”. The date of the Redemption may be referred to as “Early Redemption Date,” “Accelerated Maturity Date,” “Maturity Date” or any Redemption date specified in the Pricing Supplement and each of these dates shall herein be referred to as the “**Redemption Date**”.

**Coupon and Coupon Payments:** Unless otherwise specified in the applicable Pricing Supplement, the Notes will not include any coupon payments. The applicable Pricing Supplement may specify whether the Notes pay a coupon based on: (i) movements in the level or value of or other events relating to one or more Reference Indices, (ii) a fixed amount or rate, or (iii) a floating amount or rate.

**Reference Index or Reference Indices:** The principal, coupons or any other amounts payable or deliverable on the Notes may be based on the movements in the level or value of, performance of or other events relating to one or more indices of equity securities, indices of commodities or indices of other asset classes or market measures (each a “**Reference Index**” and together, the “**Reference Indices**”). The Reference Index or Reference Indices for a particular offering of Notes will be specified in the applicable Pricing Supplement.

**Pricing Date:** With respect to a Reference Index, the date specified in the applicable Pricing Supplement on which the Initial Index Level for such Reference Index is determined by the Calculation Agent.

**Valuation Date:** For the purpose of calculating the amount of principal payment or any Coupon Payment you may receive for each Note, the Relevant Level of any Reference Index may be determined by the Calculation Agent on one or more dates specified in the applicable Pricing Supplement. Those dates may be referred to as “Scheduled Trading Day(s)”, “Observation Date(s)”, “Potential Early Redemption Date(s)”, “Averaging Date(s)”, “Valuation Date(s)”, “Final Valuation Date(s)”, “Accelerated Final Valuation Date(s)”, “Accelerated Valuation Date(s)”, “Pricing Date”, or other date(s) as specified in the applicable Pricing Supplement. For purposes of this Product Supplement, these dates shall herein be collectively referred to as the “Valuation Dates”.

**Maturity Date:** The applicable Pricing Supplement will specify the Maturity Date.

**Initial Index Level:** Unless otherwise specified in the applicable Pricing Supplement, with respect to any Reference Index, the Relevant Level of such Reference Index on the Pricing Date.

**Relevant Level:** Unless otherwise specified in the applicable Pricing Supplement, with respect to any Reference Index on any Valuation Date

for such Reference Index, the Closing Level of such Reference Index on such Valuation Date.

**Closing Level:** Unless otherwise specified in the applicable Pricing Supplement, with respect to any Reference Index on any Scheduled Trading Day, the official closing level of such Reference Index on such Scheduled Trading Day as published and announced by the related Index Sponsor.

**Index Sponsor:** The applicable Pricing Supplement will specify the relevant Index Sponsor(s).

**Final Index Level:** Unless otherwise specified in the applicable Pricing Supplement, with respect to any Reference Index, the Relevant Level of such Reference Index on the last Valuation Date (the “**Final Valuation Date**”).

**Denominations:** Unless otherwise specified in the applicable Pricing Supplement, the Notes will be issued in denominations of \$1,000 (or the specified currency equivalent), and multiples of \$1,000 (or the specified currency equivalent) thereafter.

**Notional Amount:** Unless otherwise specified in the applicable Pricing Supplement, \$1,000 per Note.

**Currency:** Unless otherwise specified in the applicable Pricing Supplement, the Notes will be denominated in U.S. dollars.

**Investor Eligibility:** The applicable Pricing Supplement will specify the Investor Eligibility.

**Minimum Investment Amount and Minimum Holding:** The Notes will be subject to the minimum investment amount and minimum holding requirements set forth in the applicable Pricing Supplement.

**Rating:** Unless otherwise specified in the applicable Pricing Supplement, the Notes are not, and will not be, rated by any nationally recognized statistical rating organization. The Notes are securities in the same series as and have equal rights and obligations as investment grade rated notes and certificates issued by us under the Program.

**Ranking:** The Notes will be our direct, general, unconditional, unsecured and unsubordinated obligation and will rank *pari passu* without any preference among themselves and *pari passu* with all of our other unconditional, unsecured and unsubordinated obligations, except those mandatorily preferred by law.

**Guarantee:** The payment or delivery of all amounts due and payable or deliverable under the Notes is irrevocably and unconditionally guaranteed pursuant to the Guarantee (as defined in the Offering Memorandum) by Société Générale, New York Branch (“**SGNY**” or the “**Guarantor**”).

**Program:** We intend to issue from time to time certificates, warrants or notes specified in the Offering Memorandum, including the Notes described herein, having an aggregate notional amount of up to \$6,000,000,000 (the “**Program**”).

**Other terms:** As specified in the section “*Certain Definitions*” herein and, with respect to each offering of Notes, as specified in the applicable Pricing Supplement.

CAPITALIZED TERMS USED BUT NOT DEFINED HEREIN HAVE THE MEANINGS ASCRIBED TO THEM IN THE OFFERING MEMORANDUM.

The Notes involve risks not associated with an investment in ordinary debt securities. See “*Risk Factors*” beginning on page 2 of this Product Supplement, on page 8 of the Offering Memorandum and in the applicable Pricing Supplement.

The Notes and the Société Générale, New York Branch Guarantee (the “Guarantee”) have not been, and will not be, registered under the Securities Act of 1933, as amended (the “Securities Act”) and, except as specified otherwise in the Pricing Supplement, are being offered pursuant to the exemption from the registration requirements thereof contained in Section 3(a)(2) of the Securities Act.

The Notes and the Guarantee may also, in conjunction with or independently from the exemption from registration provided by Section 3(a)(2) of the Securities Act, be offered and sold (i) in the United States, only to persons who are “Accredited Investors” (as defined in Rule 501 of Regulation D, as amended, under the Securities Act) in reliance on Section 4(a)(2) of the Securities Act (the “Section 4(a)(2) Notes”), or (ii) in the United States, to “Qualified Institutional Buyers” (as defined in Rule 144A, as amended, under the Securities Act) in reliance on Rule 144A under the Securities Act (“Rule 144A Notes”) or (iii) outside the United States, in reliance on Regulation S under the Securities Act (“Regulation S Notes”). The Section 4(a)(2) Notes, Rule 144A Notes or Regulation S Notes, as applicable, have not been, and will not be, registered under the Securities Act, or the state securities laws of any state of the United States or the securities laws of any other jurisdiction. The Section 4(a)(2) Notes, Rule 144A Notes or Regulation S Notes, as applicable, may not be offered, sold, pledged or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. Prospective purchasers are hereby notified that (i) the seller of the Section 4(a)(2) Notes may be relying on the exemption from provisions of Section 5 of the Securities Act contained in Section 4(a)(2) thereof and (ii) the seller of Rule 144A Notes may be relying on the exemption from provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfers and resales of the Section 4(a)(2) Notes, Rule 144A Notes and Regulation S Notes, see the section entitled “*Notice to Investors*” in the Offering Memorandum.

The Issuer has not been registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”).

None of the Securities and Exchange Commission (the “SEC”), any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Notes or the Guarantee or passed upon the accuracy or adequacy of this Offering Memorandum or any Pricing Supplement. Any representation to the contrary is a criminal offense in the United States. Under no circumstances shall this Offering Memorandum and/or any Pricing Supplement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Notes or the Guarantee, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction.

**THE NOTES CONSTITUTE UNCONDITIONAL LIABILITIES OF THE ISSUER, AND THE GUARANTEE CONSTITUTES AN UNCONDITIONAL OBLIGATION OF THE GUARANTOR. THE NOTES AND THE GUARANTEE ARE NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE BANK INSURANCE FUND OR ANY U.S. OR FRENCH GOVERNMENTAL OR DEPOSIT INSURANCE AGENCY.**

SG Americas Securities, LLC (“SGAS”), one of the potential selling agents in this offering, is an affiliate of ours. See “*Supplemental Plan of Distribution—Conflicts of Interest*” herein.

The date of this Product Supplement is April 11, 2013.



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In making your investment decision, you should rely only on the information contained or incorporated by reference in this Product Supplement, the applicable Pricing Supplement and the Offering Memorandum. Copies of this Product Supplement, the applicable Pricing Supplement and the Offering Memorandum are available from us, at no cost to you, and you should read each of these documents carefully prior to investing in the Notes. We have not authorized anyone to give you any additional or different information. The information in this Product Supplement, the applicable Pricing Supplement and the Offering Memorandum may only be accurate as of the dates of each of these documents, respectively.

The contents of this Product Supplement are not to be construed as legal, business, or tax advice. The Notes described in this Product Supplement, the applicable Pricing Supplement and the Offering Memorandum are not appropriate for all investors, and involve important legal and tax consequences and investment risks, which should be discussed with your professional advisors. You should be aware that the regulations of the Financial Industry Regulatory Authority, Inc. (formerly known as the National Association of Securities Dealers, Inc.) and the laws of certain jurisdictions (including regulations and laws that require brokers to ensure that investments are suitable for their customers) may limit the availability of the Notes.

We are offering to sell, and are seeking offers to buy, the Notes only in jurisdictions where such offers and sales are permitted. This Product Supplement, the applicable Pricing Supplement and the Offering Memorandum do not constitute an offer to sell or a solicitation of an offer to buy the Notes in any circumstances in which such offer or solicitation is unlawful.

Neither the delivery of this Product Supplement nor any sale made hereunder implies that there has been no change in our or our affiliates' affairs or that the information in this Product Supplement is correct as of any date after the date hereof.

You must (i) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this Product Supplement, the applicable Pricing Supplement and the related Offering Memorandum and the purchase, offer or sale of the Notes and (ii) obtain any consent, approval or permission required to be obtained by you for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales; neither we, Société Générale, New York Branch, or any of our or their affiliates shall have any responsibility therefor.

In this Product Supplement, the applicable Pricing Supplement and the accompanying Offering Memorandum, "we," "us" and "our" refer to Société Générale, unless the context requires otherwise.

## **RISK FACTORS**

*The Notes are generally riskier than ordinary debt securities. This section of the Product Supplement describes some risks relating to the Notes. Additional risk factors are described in the applicable Pricing Supplement and the Offering Memorandum. You should carefully consider all of the information set forth herein, in the applicable Pricing Supplement and in the Offering Memorandum and whether the Notes are suited to your particular circumstances before you decide to purchase them.*

### **You must rely on your own evaluation of the merits as well as the risks of an investment in the Notes**

In connection with your purchase of the Notes, we urge you to consult your own financial, tax and legal advisors as to the risks involved in an investment in the Notes and to investigate the Reference Index or the Reference Indices, as applicable, and not rely on our views in any respect. You should make a complete investigation as to the merits of an investment in the Notes.

### **Unless the full return of principal at Redemption or a minimum return on the Notes is specified, you may lose your entire investment amount**

Unless the full return of principal at Redemption or a minimum return on the Notes is specified in the applicable Pricing Supplement, no assurance can be given, and none is intended to be given, that you will receive any portion of your initial investment in the Notes. Moreover, any payment to be made on your Notes depends on the Issuer's and the Guarantor's ability to satisfy their obligations as they become due. Accordingly, you may lose some or all of your initial investment.

### **The Notes are intended to be held to Redemption**

You may receive less, and potentially significantly less, than the amount you originally invested if you sell your Notes in the secondary market (if any exists) prior to Redemption. You should be willing and able to hold your Notes until Redemption. Also see "*Risk Factors—There may be no secondary market for the Notes; potential illiquidity of the secondary market*" herein.

### **Issuer and Guarantor credit risk**

The Notes are subject to our and the Guarantor's credit risk. Our ability to pay our obligations under the Notes is dependent upon a number of factors, including our and the Guarantor's creditworthiness, financial condition and results of operations. No assurance can be given, and none is intended to be given, that you will receive any amount at Redemption.

### **The Notes are not registered securities and will not be listed on any securities exchange; transfer restrictions may apply**

The Notes and the Guarantee are not registered under the Securities Act or under any state laws. The Notes are being offered pursuant to one or more exemptions from the registration requirements of the Securities Act. Neither the SEC nor any state securities commission or regulatory authority has recommended or approved the Notes or the Guarantee, nor has any such commission or regulatory authority reviewed or passed upon the accuracy or adequacy of this Product Supplement, the Offering Memorandum or the applicable Pricing Supplement. The Notes will not be listed on an organized securities exchange or any inter-dealer quotation system. Please also read "*Risk Factors – The Notes and the Guarantee are not registered securities*" in the Offering Memorandum.

### **The Notes are not insured by any third parties**

The Notes will be solely our and the Guarantor's obligations, and no other third party entity will have any obligation, contingent or otherwise, to make any payments or deliveries with respect to the Notes.

**You will receive neither further benefits nor additional payments relating to the Notes if we call or redeem the Notes (automatically or otherwise) prior to their scheduled maturity**

The terms of any particular issuance of Notes, as specified in the applicable Pricing Supplement, may permit or require Early Redemption by us (automatic or otherwise). If the Notes are redeemed or called by us prior to their scheduled maturity, you may be subject to reinvestment risk, whereby it is likely that you will not be able to invest in securities with similar risks, terms and yield as the Notes.

Moreover, in the event of an Early Redemption of the Notes, you will benefit from the features of the Notes only until the date of such Early Redemption, and you will receive no further benefits or payments under the Notes thereafter.

**The value of any Reference Index and the secondary market price of the Notes will be influenced by many unpredictable factors**

Several factors, most of which are beyond our control, may influence the value of any Reference Index during the term of the Notes, the value of the Notes in the secondary market and the price at which we, the applicable Dealer or any of our or its respective affiliates may be willing to purchase or sell the Notes in the secondary market. We expect that generally the Relevant Level of the (or each) Reference Index will affect the secondary market value of the Notes more than any other single factor. However, the value of the Notes in the secondary market may not vary in proportion to changes in the value of the (or each) Reference Index. Other factors that may influence the value of the Notes include, without limitation:

- interest rates and yield rates in the market;
- the volatility (frequency and magnitude of changes in value) of the (or each) Reference Index;
- the performance of the (or each) Reference Index prior to Redemption
- geopolitical conditions and economic, financial, political, regulatory or judicial events that affect markets generally and that may affect the (or each) Reference Index and the Relevant Level of the (or each) Reference Index;
- supply and demand for the Notes;
- if applicable, our right to redeem the Notes early;
- if applicable, dividend rates on the stocks underlying the (or each) Reference Index;
- the time remaining to the Redemption of the Notes;
- the creditworthiness of the Issuer and the Guarantor;
- whether a Market Disruption Event, Hedging Disruption Event or Change in Law Disruption Event (each as defined herein) has occurred; and
- the occurrence of an event described in the section “*Description of the Notes—Discontinuance or Modification of the Reference Index; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” which may or may not cause the Calculation Agent to (i) calculate, with respect to a Reference Index, the Relevant Level for such Reference Index or (ii) select, with respect to a Reference Index, a Successor Index (as defined herein) to replace such Reference Index.

Some or all of these factors may influence the price you will receive if you sell your Notes in the secondary market (if any exists) prior to Redemption. For example, you may have to sell your Notes at a substantial discount from the Notional Amount or at a price substantially less than the amount you originally invested in the Notes if the value of the Reference Index has (or one or more Reference Indices have) declined below its (or their) Initial Index Level(s). The impact of any of the factors set forth above may enhance or offset some or all of any of the changes resulting from another factor or factors.

We cannot predict the future performance of any Reference Index based on its historical performance. We also cannot predict whether the level or value of any Reference Index will fall or rise during the term of the Notes. Past fluctuation and trends in the levels of any Reference Index are not necessarily indicative of fluctuations or trends that may occur in the future with respect to such Reference Index.

**There may be no secondary market for the Notes; potential illiquidity of the secondary market**

The Notes are most suitable for purchase and holding until Redemption. The Notes will be new securities for which currently there is no trading market. We do not intend to apply for listing of the Notes and therefore the Notes will not be listed or quoted on any exchange. We cannot assure you as to whether there will be a secondary market for the Notes or, if there were to be such a secondary market, that it would be liquid.

In addition, the aggregate Notional Amount of the Notes being offered may not be purchased by investors in the initial offering, and one or more of our affiliates has agreed to purchase any unsold portion. Such affiliate or affiliates intend to hold the Notes, which may affect the supply of the Notes available in any secondary market trading and therefore may adversely affect the price of the Notes in any secondary market trading. If a substantial portion of any Notes held by our affiliates were to be offered for sale following this offering, the market price of such Notes could fall, especially if secondary market trading in such Notes is limited or illiquid.

Under ordinary market conditions, the Issuer, the applicable Dealer distributing the Notes (which may be SGAS) or another broker-dealer affiliated with us or such Dealer intends to maintain a secondary market in the Notes; however, neither the Issuer, such Dealer nor such affiliate has any obligation to provide a secondary market in the Notes and may cease doing so at any time. Accordingly, we cannot assure you as to the development or liquidity of any secondary market for the Notes. If neither the Issuer, the applicable Dealer nor any of their respective affiliates makes or maintains a secondary market in the Notes, you may not be able to sell your Notes easily or at prices that will provide you with a yield comparable to that of similar securities that have a liquid secondary market.

**We may sell the Notes through our affiliate, SGAS; potential conflict of interest**

The Notes may be sold through our affiliate, SGAS, by appointment of SGAS as the principal agent for the sale of the Notes. SGAS and the Issuer are under common control and SGAS is not an underwriter that is independent from the Issuer. A conflict of interest may exist or arise with respect to the offering and sale of the Notes by SGAS to investors because an independent underwriter is not participating in the pricing of the Notes to investors.

Additionally, we may pay SGAS an underwriting fee and, similarly, if SGAS distributes the Notes to or through other broker-dealers or banks, we, SGAS or one of our affiliates may pay such other broker-dealers or banks a fee in connection with their distribution of the Notes. SGAS has discretion to determine the amount of fees paid to such other broker-dealers or banks, and may change them from time to time. Because such fees may negatively impact your investment in the Notes, SGAS's interests with respect to the Notes may be adverse to yours.

For more information about distribution of the Notes and related commissions, see the section "*Supplemental Plan of Distribution*" in this Product Supplement.

**The inclusion of commissions and projected profit from hedging in the original price is likely to adversely affect secondary market prices**

Assuming no change in market conditions or any other relevant factors, the price, if any, at which we, the applicable Dealer or one or more of our or its respective affiliates may be willing to purchase the Notes in secondary market transactions will likely be lower than the price at which you purchased the Notes (even if the Closing Level(s) of the (or each) Reference Index is not below its Initial Index Level). This is because such price included, and secondary market prices are likely to exclude, commissions paid with respect to the Notes, as well as the projected profit included in the cost of hedging our obligations under the Notes. In addition, any such prices may differ from values determined by pricing models used by us, the applicable Dealer or one or more of our or its respective affiliates, as a result of dealer discounts, mark ups or other transaction costs. See also "*Risk Factors—Risks relating to each Reference Index*" herein.

**If the Notes are accelerated due to our insolvency, you may receive an amount substantially less than the Notional Amount of the Notes**

The amount you receive from us as payment on the Notes if the Notes are accelerated due to an Event of Default may be substantially diminished (and could be zero) if such an acceleration is due to our or the Guarantor's insolvency and we or the Guarantor are not able to make such payment under applicable bankruptcy laws. Also see "*Risk Factors—Your return may be limited or delayed by the insolvency of Société Générale*" in the Offering Memorandum.

**The determination of the Final Index Level for any Reference Index may be made early upon the occurrence of a Hedging Disruption Event or a Change in Law Disruption Event, which could adversely affect your return (if any) on the Notes**

If, during the term of the Notes, an Index Sponsor for a Reference Index permanently cancels or materially modifies such Reference Index, and the Calculation Agent determines that such an event would cause a Hedging Disruption, the Final Valuation Date for such Reference Index (and only such Reference Index) will be accelerated to the day on which such cancellation or modification is effective (or, if later, the date on which the Hedging Disruption Event would exist), and the Calculation Agent will calculate the Final Index Level for such Reference Index in accordance with the section "*Description of the Notes—Discontinuance or Modification of the Reference Index; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*" herein. Therefore, in the case of a Hedging Disruption Event, performance of such Reference Index will be measured only from the Pricing Date to the date on which such change, failure or cancellation is effective (or, if later, the date on which the Hedging Disruption Event would exist), and not for the entire term of the Notes. You may, in this event, receive a return that is less, perhaps substantially, than you would have received had such Hedging Disruption Event not occurred.

In addition, during the term of the Notes, a Change in Law Disruption Event may occur. This would generally be deemed to have occurred should the adoption of or change in any applicable law or regulation prevent us or any of our affiliates from performing our or its duties hereunder or hedging our or its obligations hereunder, or materially increase the costs of such performance or hedging, in connection with a Reference Index (see "*Certain Definitions*" herein for more details). If the Calculation Agent determines that a Change in Law Disruption Event has occurred with respect to a Reference Index, the Final Valuation Date for such Reference Index (and only such Reference Index) will be accelerated to the day on which such Change in Law Disruption Event has occurred, and the Final Index Level for such Reference Index will be determined by the Calculation Agent in accordance with the section "*Description of the Notes—Change in Law*" herein.

Therefore, in the case of a Hedging Disruption Event or Change in Law Disruption Event with respect to a Reference Index, the performance of such Reference Index (and only such Reference Index) will be measured only from the Pricing Date to the Accelerated Final Valuation Date, and not for the entire term of the Notes. You may, in this event, receive a return that is less, perhaps substantially, than you would have received had the Hedging Disruption Event or Change in Law Disruption Event not occurred with respect to such Reference Index. **However, in all of these instances, the Maturity Date will not be accelerated.** That is, although the Final Valuation Date in respect of the affected Reference Index will be accelerated, you will not be entitled to any early payments in the case of a Hedging Disruption Event or Change in Law Disruption Event with respect to any Reference Index and, other than the coupons payable on the Notes (if any), you will not receive any interest on any portion of your initial principal investment due to such acceleration of the Final Valuation Date for the remaining term of the Notes. In the event that the Final Valuation Date is accelerated due to a Hedging Disruption Event or Change in Law Disruption Event, your investment in the Notes may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money.

**You will not be entitled to dividends paid on stocks tracked by any Reference Index or Reference Indices, as applicable, that are equity indices; your return (if any) on the Notes may be less than the return realized in a direct investment in the Reference Index (or Reference Indices) or securities underlying such Reference Index (or Reference Indices)**

If the Notes are linked to any Reference Index or Reference Indices, as applicable, that are equity indices, the return (if any) on the Notes will not reflect the return you would realize if you actually owned interests in the equity securities underlying such Reference Index or Reference Indices, as applicable, and received dividends, if any, paid on those interests. Therefore, your return (if any) on the Notes may be less (perhaps substantially) than the return you would have realized had you directly purchased the equity securities underlying such Reference Index or Reference Indices, as applicable, and received any dividends or distributions paid on those equity securities.

**You have no beneficial interest in any Reference Index or the securities or constituents underlying any Reference Index**

Investing in the Notes is not equivalent to investing in the Reference Index (or Reference Indices) or the securities or constituents underlying the Reference Index (or Reference Indices). You will not have any ownership interest or rights in the Reference Index (or Reference Indices) or the assets, constituents or securities underlying the Reference Index (or Reference Indices) by virtue of your investment in the Notes. Moreover, as a holder of the Notes, you will not have voting rights, rights to receive cash distributions or other rights that actual holders of interests in the securities or constituents comprising the Reference Index (or Reference Indices) would have.

**Certain business activities may create conflicts with your interests**

We, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates, may engage in trading and other business activities relating to one or more Reference Indices, or the securities or constituents comprising such Reference Index or Reference Indices, as applicable, which are not for your account or on your behalf. These activities may present a conflict between your interest in the Notes and interests we, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates, may have in our or their proprietary account. Such activities may include, among other things, the exercise of voting power, financial advisory relationships, financing transactions, derivative transactions and the exercise of creditor rights, each of which may be contrary to your interests. Any of these trading and/or business activities may affect the level(s) of the Reference Index or Reference Indices, as applicable, and thus could be adverse to your return (if any) on the Notes. We, the Guarantor, the applicable Dealer and our or their respective affiliates may engage in any such activities without regard to the Notes or the effect that such activities may directly or indirectly have on the Notes.

We, the Guarantor, the applicable Dealer and/or one or more of our or their respective affiliates may have published, and may in the future publish, research reports relating to the Reference Index or Reference Indices, as applicable, and the securities or constituents comprising such Reference Index or Reference Indices, as applicable. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may affect the levels of the Reference Index or Reference Indices, as applicable, or the securities or constituents comprising the Reference Index or Reference Indices, as applicable, and, therefore, the value of the Notes.

We, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates, may also issue, underwrite or assist unaffiliated entities in the issuance or underwriting of other securities or financial instruments with returns indexed to one or more Reference Indices. By introducing competing products into the marketplace in this manner, we, the Guarantor, the applicable Dealer and/or our or their respective affiliates could adversely affect the value of the Notes.

In addition, to the extent applicable, we, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates may, at present or in the future, engage in business with the issuers of any securities or constituents underlying one or more Reference Indices, including making loans to or equity investments in those companies or providing investment banking, asset management or other advisory services to those companies. These activities may present a conflict between your interests and the interests of the Issuer, the Guarantor, the applicable Dealer or our or their respective affiliates. In the



course of that business, we, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates may acquire non-public information about one or more of the securities or constituents underlying one or more Reference Indices. We, the Guarantor, the applicable Dealer and our and their respective affiliates have no obligation to disclose such information.

#### **Hedging and trading activity could potentially adversely affect the value of the Notes**

In the ordinary course of business, whether or not we or they will engage in any secondary market making activities, we, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates may effect transactions for our or their own account or for the account of our or their respective customers, including holding long or short positions in one or more Reference Indices, securities or constituents comprising one or more Reference Indices and/or related derivatives. In addition, in connection with the offering of the Notes and during the term of the Notes, we, the Guarantor, the applicable Dealer or one or more of our or their respective affiliates may enter into one or more hedging transactions relating to one or more Reference Indices, the securities or constituents comprising one or more Reference Indices and/or related derivatives. In connection with any of such hedging or any market-making activities or with respect to proprietary or other such trading activities, we, the Guarantor, the applicable Dealer and/or our or their respective affiliates may enter into transactions in one or more Reference Indices, the securities or constituents underlying one or more Reference Indices and/or related derivatives, which may affect the market price, liquidity or value of such Reference Index or Reference Indices, as applicable, or the securities or constituents comprising such Reference Index or Reference Indices, as applicable, and, therefore, the value of the Notes. We, the Guarantor, the applicable Dealer and/or any of our or their respective affiliates may also issue or underwrite other securities or financial or derivative instruments with returns linked or related to changes in the performance of one or more Reference Indices or the securities or constituents comprising one or more Reference Indices. Any of the situations herein may result in consequences which may be adverse to your interests in the Notes. We and the Guarantor assume no responsibility whatsoever for such consequences and their impact on your investment.

The Indenture (as defined herein) does not contain any restrictions on our ability or the ability of any of our affiliates to sell, pledge or otherwise convey all or any securities. Neither we nor the Guarantor nor any of our affiliates will pledge or otherwise hold any security for the benefit of holders of the Notes. Consequently, in the event of a bankruptcy, insolvency or liquidation involving us or the Guarantor, as the case may be, any securities we hold as a hedge to the Notes will be subject to the claims of our creditors generally and will not be available specifically for the benefit of the holders of the Notes.

#### **Postponement of the Pricing Date upon a Market Disruption Event could adversely affect the return (if any) on the Notes**

Unless otherwise specified in the applicable Pricing Supplement, if there is no Market Disruption Event (as defined in the section "*Certain Definitions – Market Disruption Event*" herein) with respect to a Reference Index on the Pricing Date, the determination of the Initial Index Level of such Reference Index will be made on the Pricing Date, even if the Notes are linked to a basket of Reference Indices and one or more of such Reference Indices experiences a Market Disruption Event on the Pricing Date.

Unless otherwise specified in the applicable Pricing Supplement, if, on the Pricing Date, a Market Disruption Event exists with respect to a Reference Index, then the Pricing Date for such Reference Index (and only for such Reference Index) may be postponed for up to eight Scheduled Trading Days with respect to the Pricing Date for a Reference Index that is not a commodity index or up to five Scheduled Trading Days with respect to the Pricing Date for a Reference Index that is a commodity index. In either case, the Calculation Agent will determine the Initial Index Level for such Reference Index in accordance with the section "*Description of the Notes – Market Disruption Event*" herein.

Therefore, a Market Disruption Event that occurs with respect to a Reference Index on the Pricing Date will affect the timing when the Initial Index Level for such Reference Index is determined, which could adversely affect the return (if any) on the Notes.

**Postponement of any Valuation Date and, if applicable, the Redemption Date upon a Market Disruption Event could adversely affect the return (if any) on the Notes**

Unless otherwise specified in the applicable Pricing Supplement, if, on any Valuation Date for a Reference Index, there is no Market Disruption Event (as defined in the section “*Certain Definitions – Market Disruption Event*” herein) with respect to such Reference Index, the determination of the Relevant Level of such Reference Index will be made on such Valuation Date, even if the Notes are linked to a basket of Reference Indices and one or more of such Reference Indices experiences a Market Disruption Event on such Valuation Date.

Unless otherwise specified in the applicable Pricing Supplement, if, on any Valuation Date for a Reference Index, a Market Disruption Event exists with respect to such Reference Index, then such Valuation Date for such Reference Index (and only for such Reference Index) may be postponed for up to eight Scheduled Trading Days with respect to such Valuation Date for a Reference Index that is not a commodity index or up to five Scheduled Trading Days with respect to such Valuation Date for a Reference Index that is a commodity index. In either case, the Calculation Agent will determine the Relevant Level on such date in accordance with the section “*Description of the Notes – Market Disruption Event*” herein.

If the Final Valuation Date or Accelerated Final Valuation Date is postponed, then the applicable Redemption Date will be postponed until the fifth Business Day following such postponed Final Valuation Date or Accelerated Final Valuation Date.

Therefore, a Market Disruption Event that occurs on the Final Valuation Date or Accelerated Final Valuation Date, as applicable, will affect (i) the timing when the Final Index Level is determined, which could adversely affect the return (if any) on the Notes, and (ii) the timing of the applicable Redemption Date and, therefore, the timing of any payment at Redemption.

**The Closing Level of each Reference Index and the value of the Notes may be exposed to fluctuations in exchange rates; the return (if any) on the Notes may be adversely affected by fluctuations in exchange rates**

To the extent that one or more constituents comprising one or more Reference Indices may trade in currencies other than the U.S. dollar, unless otherwise specified in the applicable Pricing Supplement, such Reference Indices are calculated in U.S. dollars. As a result, the Closing Level of each of such Reference Indices and the value of the Notes may be adversely affected by changes in exchange rates between the U.S. dollar and foreign currencies. Unless otherwise specified in the applicable Pricing Supplement, payments on the Notes will not be adjusted for changes in the exchange rate between the U.S. dollar and any of the currencies in which some of the constituents included in one or more Reference Indices might trade.

Moreover, to the extent that the values of the constituent(s) comprising a Reference Index are determined in U.S. dollars, an appreciation of the U.S. dollar will increase the relative cost of such constituent(s) for foreign consumers, thereby potentially reducing demand for such constituent(s) and affecting the value of such Reference Index. As a result, the Closing Level of any Reference Index and the value of the Notes may be adversely affected by changes in exchange rates between the U.S. dollar and foreign currencies.

In addition, one or more Reference Indices and constituents of such Reference Indices may be denominated in currencies other than the U.S. dollar, which is the currency in which the Notes are denominated. Unless otherwise specified in the applicable Pricing Supplement, the performance calculation for these Reference Indices will not be adjusted for changes in exchange rates.

In recent years, rates of exchange between the U.S. dollar and various foreign currencies have been highly volatile and this volatility may continue in the future. However, fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative of fluctuations that may occur during the term of the Notes.

## **Additional risks relating to Notes with more than one Reference Index or a basket involving one or more Reference Indices**

**The levels or values of the Reference Indices (or components in the basket) may not move in tandem; return (if any) on the Notes may not reflect the full performance of the Reference Indices (or components in the basket)**

Value movements in the Reference Indices (or components in the basket) may not move in tandem with each other and, therefore, your return (if any) on the Notes may not reflect the full performance of the Reference Indices (or components in the basket) during the term of the Notes. Unless otherwise specified in the applicable Pricing Supplement, the positive performance of any Reference Index (or any component in the basket) will be offset, or moderated, by negative or lesser positive performances of the other Reference Indices (or other components in the basket). As a result, the payment (if any) at Redemption and the value of the Notes may be adversely affected even if the levels or values of some of the Reference Indices (or components in the basket) increase during the term of the Notes.

Furthermore, to the extent the weighting applicable to any Reference Index (or any component) in a basket is greater than the weightings applicable to other Reference Indices (or other components) in such basket, poor performance for that Reference Index (or that component in the basket) will have a disproportionately large negative impact on the payment (if any) due on the Notes.

**A basket of a limited number of Reference Indices (or components) may be less diversified than a portfolio investing in broader markets and, therefore, may adversely affect the market value of the Notes**

Because the Notes may be linked to changes in the value of a limited number of Reference Indices (or components in a basket), the basket of Reference Indices (or components) may be less diversified than funds or portfolios investing in broader markets and, therefore, could experience greater volatility than such investments. An investment in the Notes may carry risks similar to a concentrated investment in a limited number of industries, sectors or asset classes.

**The correlation among the Reference Indices (or components in the basket) may change, which could adversely affect the value of and return (if any) on the Notes**

Correlation is the term used to describe the relationship among the performance changes of the Reference Indices (or components in the basket). High correlation during the period of negative returns or a change in correlation among the Reference Indices (or components in the basket) could have an adverse impact on the value of and the return (if any) on the Notes.

## **Risks relating to each Reference Index**

### **General**

The historical performance of each Reference Index does not indicate the future performance of such Reference Index and it is impossible to predict whether and to what extent the level of each Reference Index will fall or rise during the term of the Notes. The level of each Reference Index will be influenced by political, economic, financial, market and other factors. It is impossible to predict what effect these factors will have on the level of each Reference Index or on the return (if any) on the Notes.

Any historical performance information in respect of any Reference Index must be considered illustrative only. Past performance of any Reference Index should not be considered indicative of future performance of such Reference Index or the Notes. In addition, as each Reference Index is based on a complex methodology, it is impossible to predict and list all factors and events that may negatively impact each Reference Index. Market and other factors may cause each Reference Index to act in unanticipated ways.

**The strategy underlying any Reference Index may not be successful**

There is no assurance that the strategy underlying the methodology of any Reference Index will be successful during the term of the Notes, particularly during periods in which sudden shifts in market

trends occur. Furthermore, no assurance can be given that the index methodology of any Reference Index will achieve its goals or that such Reference Index will outperform any alternative strategy that might be constructed.

**The investment strategy used to construct a Reference Index may involve rebalancing and weighting limitations that are applied to the components comprising such Reference Index**

The constituents comprising any Reference Index may be subject to rebalancing and maximum weighting limits. By contract, a synthetic portfolio that does not rebalance and is not subject to any weighting limits could see greater compounded gains over time through exposure to a consistently and rapidly appreciating portfolio consisting of the same constituents comprising such Reference Index.

**The policies of the Exchanges on which constituents of one or more Reference Indices principally trade may affect the levels of such Reference Indices**

The policies of an Exchange concerning the manner in which the value of a constituent of any Reference Index is calculated may affect the performance of such Reference Index. No Exchange or Related Exchange is an affiliate of Société Générale, SGAS or their affiliates, and Société Générale, SGAS and their affiliates have no ability to control or predict the actions of any such Exchange or Related Exchange. An Exchange for any constituent of a Reference Index may also from time to time change any rule or bylaw or take emergency action under its rules, any of which may affect the value of such Reference Index. An Exchange for any Reference Index may discontinue or suspend calculation or dissemination of information relating to any constituent of such Reference Index. Any such actions could affect the value of the Notes. See “*Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” herein.

**Any Index Sponsor may, in its sole discretion, discontinue public disclosure of the levels of the related Reference Index**

No Index Sponsor is under any obligation to continue to calculate or publicly disclose the levels of the related Reference Index, or to calculate or publicly disclose similar levels for any Successor Index (as defined herein). If an Index Sponsor discontinues such calculation or public disclosure for a Reference Index, we, as the Calculation Agent, will make the relevant adjustment or determination for such Reference Index in accordance with the section “*Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” herein. You may, in this event, receive less, perhaps substantially, than you would have received had such discontinuation by such Index Sponsor not occurred.

**An Index Sponsor may adjust the related Reference Index in a way that adversely affects its level**

Each Index Sponsor is responsible for calculating and maintaining the related Reference Index. Such Index Sponsor can add, delete or substitute the constituents underlying such Reference Index or make other methodological changes that could change the level of such Reference Index. You should realize that the changing of constituents represented in a Reference Index may affect that Reference Index as a newly added constituent may perform significantly better or worse than the constituent or constituents it replaces. Additionally, an Index Sponsor may alter, discontinue or suspend calculation or dissemination of the related Reference Index. Any such actions could adversely affect the value of the Notes. No Index Sponsor has any obligation to consider your interests in calculating or revising the related Reference Index. See “*Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” herein.

**The constituents comprising a Reference Index may not be equally weighted**

The constituents or securities comprising one or more Reference Indices may have a different weight in determining the value or level of such Reference Index or Reference Indices. One consequence of such unequal weights of the constituents or securities comprising such Reference Index or Reference Indices is that the same percentage change in two or more of the constituents or securities may have different effects on the level of such Reference Index or Reference Indices. This may adversely affect the level of the Reference Index or Reference Indices, and, therefore, the Notes.

### **Changes in the value of the constituents or securities comprising a Reference Index may offset each other**

Because the Notes are linked to one or more Reference Indices, each of which is linked to the performance of the constituents or securities comprising such Reference Index or Reference Indices, price or value movements between such constituents or securities comprising any Reference Index, particularly constituents or securities representing different asset classes, industries or geographic regions, may not correlate with each other. At a time when the value of a constituent or security comprising any Reference Index representing a particular asset class, industry or geographic region increases, the value of other constituents or securities, particularly constituents or securities representing different asset classes, industries or geographic regions, may not increase as much or may decline. Therefore, any increase in the value of some of the constituents or securities comprising a Reference Index may be moderated, or offset, by lesser increases or declines in the value of other constituents or securities comprising such Reference Index, which will impact the level of such Reference Index and, therefore, the value of the Notes.

### **Correlation of performances among the constituents or securities comprising one or more Reference Indices may reduce the performance of the Notes**

Performances amongst the constituents or securities comprising a Reference Index may become highly correlated from time to time during the term of the Notes, including, but not limited to, a period in which there is a substantial decline in a particular sector, industry or asset type represented by the constituents or securities comprising such Reference Index. High correlation during a period of negative returns among constituents or securities comprising a Reference Index representing any one sector, industry or asset type could adversely impact the value of the Notes.

### **The composition of any Reference Index may change between the Pricing Date and the Final Valuation Date, which could adversely affect the value of the Notes**

Under certain circumstances where a Reference Index is not calculated and announced by the Index Sponsor, a Successor Index may replace such Reference Index as described in “*Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” herein. That Successor Index will be used as a substitute for the original affected Reference Index (and only such Reference Index) for all purposes, including for purposes of determining the Relevant Level of the Reference Index, the Final Index Level of the Reference Index and whether a Market Disruption Event, a Change in Law Disruption Event or a Hedging Disruption Event exists. As a result, the Relevant Level of such Reference Index as of any Valuation Date may be different than it would have been if the original Reference Index had not been replaced. The Relevant Level, Final Index Level, return on the Notes and/or payment at Redemption may be different than it would have been if the original Reference Index had not been replaced. Therefore, the value of the Notes may be adversely affected by the replacement of any Reference Index.

### **Neither the Issuer, the Guarantor nor their affiliates are affiliated with any Index Sponsor**

Unless otherwise specified in the applicable Pricing Supplement, no Index Sponsor is an affiliate of the Issuer, the Guarantor or any of their affiliates and no Index Sponsor is involved with any offering of Notes in any way. Consequently, unless otherwise specified in the applicable Pricing Supplement, we have no ability to control the actions of any Index Sponsor, including any action that would require the Calculation Agent to adjust the terms of the Notes. No Index Sponsor has any obligation to consider your interest as an investor in the Notes in taking any actions that might adversely affect the value of your Notes. None of the money you pay for the Notes will go to any Index Sponsor. The obligations represented by the Notes are obligations of us and SGNY, as Guarantor, and not of any Index Sponsor.

### **The Notes may be subject to risks associated with investments in non-United States securities markets**

To the extent securities or constituents underlying a Reference Index have been issued by non-United States companies, investments in the Notes will involve risks associated with investments in non-United States securities markets. For example, non-United States securities markets may be more volatile than United States securities markets, and market developments may affect those markets differently from the

United States markets. Additionally, in non-United States securities markets there may be a high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries, as well as a high concentration of certain types of investors (including investment funds and other institutional investors) in such securities markets. Direct or indirect government intervention to stabilize securities markets outside the United States, as well as cross-shareholdings in certain companies, may affect trading prices and trading volumes in those markets. Also, the public availability of information concerning the issuers of non-United States securities will vary depending on their home jurisdiction and the reporting requirements imposed by their respective regulators. In addition, such issuers may be subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to United States reporting companies.

The prices of securities in non-United States markets may be affected by political, economic, financial and social factors in such markets. These factors, which could negatively affect foreign securities markets, include the possibility of changes in a foreign government's economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to foreign companies or investments in foreign equity securities and the possibility of fluctuations in the rate of exchange between currencies. Moreover, foreign economies may differ favorably or unfavorably from the United States economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

Therefore, to the extent securities or constituents underlying any Reference Index have been issued by non-United States companies, such Reference Index may be subject to significantly greater risk and volatility than an index that is comprised only of securities of United States companies.

**One or more Reference Indices may be highly concentrated in one or more geographic regions, industries or economic sectors**

The Notes are subject to the risks associated with a direct investment in the Reference Index or Reference Indices, as applicable, which may be highly concentrated in securities or other instruments representing a particular geographic region, group of geographic regions, industry, group of industries, economic sector or group of economic sectors. These include the risks that the price, value or level of other assets in such geographic region(s), industry or industries, or economic sector(s) or the prices or values of the constituents comprising the Reference Index or Reference Indices, as applicable, may decline, thereby adversely affect the market value of the Notes. If one or more Reference Indices are concentrated in a particular geographic region, group of geographic regions, industry, group of industries, economic sector or group of economic sectors, the Notes also will be concentrated in that geographic region or regions, industry, group of industries or economic sector or sectors.

For example, a financial crisis could erupt in a particular geographic region, industry or economic sector and lead to sharp declines in the currencies, equities markets and other asset prices or values in that geographic region, industry or economic sector, threatening the particular financial systems, disrupting economies and causing political upheaval. A financial crisis or other event in any geographic region, industry or economic sector could have a negative impact on one or more Reference Indices and, consequently, the market value of the Notes may be adversely affected.

## **Additional risks relating to each Reference Index that is a commodity index**

### ***General***

To the extent that the Notes are linked to one or more Reference Indices that are commodity indices, the performance of the Notes will be subject to risks similar to those of any investment in commodities, including the risk that the general value of commodities may decline. The following is a list of some of the significant risks associated with each Reference Index that is a commodity index:

- The markets for the futures contracts of the commodities underlying any Reference Index are subject to temporary distortions, extreme price variations or other disruptions due to conditions of illiquidity in the markets, the participation of speculators, government regulation and intervention.
- U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single business day. Limit prices may have the effect of precluding trading in a particular contract or forcing liquidation of contracts at disadvantageous items or prices. These circumstances could adversely affect the value of any Reference Index and, therefore, the value of the Notes.
- Prices of commodities and commodity futures contracts may be adversely affected by the promulgation of new laws or regulations or by the reinterpretation of existing laws or regulations (including, without limitation, those relating to taxes and duties on commodities or commodity components) by one or more governments, governmental agencies or instrumentalities, courts or other official bodies. Any such event could adversely affect the value of any Reference Index and, thus, the value of the Notes.
- Commodities values, and therefore the value of any Reference Index, are subject to volatile movements over short periods of time and are affected by numerous factors, including, among other things, the structure of and confidence in the global monetary system, expectations of the future rate of inflation, the relative strength of the U.S. dollar, interest rates and borrowing and lending rates, global and regional economies, global industrial demand, financial, political, regulatory, judicial and other events, war (or the cessation thereof), development of substitute products, terrorism, weather, supply, price levels, global energy levels, production levels, production costs and delivery costs. Such political, economic and other developments may affect the value of any Reference Index and, thus, the value of the Notes.
- The value of any Reference Index or values of the constituents underlying any Reference Index, as the case may be, can fluctuate widely due to supply and demand disruptions in major producing or consuming regions. In particular, recent growth in industrial production and gross domestic product has made certain emerging economies oversized users of commodities and has increased the extent to which the value(s) of the Reference Index or Reference Indices are connected to the foreign markets. Political, economic and other developments that affect such markets may affect the values of any Reference Index and, thus, the value of the Notes. Because the constituents underlying each Reference Index are produced in a limited number of countries and are controlled by a small number of producers, political, economic and supply related events in such countries could have a disproportionate impact on the value of such Reference Index.

One or more of the above factors may cause the value of different commodities underlying the futures contracts comprising a Reference Index or Reference Indices, as applicable, to move in inconsistent directions at inconsistent rates. This, in turn, could adversely affect the level(s) of such Reference Index or Reference Indices, as applicable, and the value of the Notes. It is impossible to predict the aggregate effect of all or any combination of the above factors.

### ***Lack of regulation***

The Notes are debt securities that are direct obligations of the Issuer. The net proceeds to be received by us from the sale of the Notes will not be used to purchase or sell interests linked to the constituent(s) underlying any Reference Index or options or futures contracts related thereto for the benefit of the holders of the Notes. An investment in the Notes does not constitute an investment in commodities, futures contracts or options on futures contracts, and you will not benefit from the regulatory protections

of the Commodity Futures Trading Commission (the "CFTC") afforded to persons who trade in such contracts.

Unlike an investment in the Notes, an investment in a collective investment vehicle that invests in futures contracts on behalf of its participants may be subject to regulation as a commodity pool and its operator may be required to be registered with and regulated by the CFTC as a "commodity pool operator" ("CPO"), or qualify for an exemption from the registration requirement. Because the Notes are not interests in a commodity pool, the Notes will not be regulated by the CFTC as a commodity pool, the Issuer will not be registered with the CFTC as a CPO, and you will not benefit from the CFTC's or any non-U.S. regulatory authority's regulatory protections afforded to persons who invest in regulated commodity pools.

***Risks relating to the trading of commodities on international futures exchanges***

Certain international futures exchanges operate in a manner more closely analogous to the over-the-counter physical commodity markets than to the regulated futures markets, and certain features of U.S. futures markets are not present. For example, there may not be any daily price limits which would otherwise restrict the extent of daily fluctuations in the prices of the respective contracts. In a declining market, therefore, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days. This may adversely affect the value of any Reference Index and, as a result, the market value of the Notes, the return (if any) on the Notes as well as the payment you would receive at Redemption.

***Potential over-concentration in a particular commodity sector***

The commodities underlying the futures contracts that may be included in any Reference Index may be concentrated in a specified commodity sector. An investment in the Notes might increase your exposure to fluctuation in any of the commodity sectors associated with one or more Reference Indices.

Furthermore, a Reference Index's methodology may impose limitations on exposure to any of the commodity sectors underlying the futures contracts included in such Reference Index. There can be no assurance that such limitations, if any, will reduce volatility or enhance the performance of such Reference Index, or that such Reference Index would not have performed better without such limitations. In addition, it is likely that the weighting, if any, of commodity sectors comprising any Reference Index will shift periodically, so exposure to any sector cannot be predicated and a fixed exposure to a particular sector is unlikely.

***Higher future prices of commodities underlying futures contracts comprising one or more Reference Indices relative to their current prices may lead to a decrease in the value of the Notes as well as the payment at Redemption***

The constituents of one or more Reference Indices may be composed of futures contracts on physical commodities. As the contracts that underlie one or more Reference Indices come to expiration, they are replaced by contracts that have a later expiration. For example, a contract purchased and held in September may specify an October expiration. As time passes, the contract expiring in October is replaced by a contract for delivery in November. This is accomplished by selling the October contract and purchasing the November contract. This process is referred to as "rolling". Excluding other considerations, if the market for these contracts is in "backwardation," where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the October contract would take place at a price that is higher than the price of the November contract, thereby creating a "roll yield". While the contracts that may be included in one or more Reference Indices could have historically exhibited consistent periods of backwardation, backwardation will most likely not exist at all times. Conversely, some of the commodities reflected in one or more Reference Indices could have historically exhibited "contango" markets rather than backwardation. Contango markets are those in which prices are higher in more distant delivery months than in nearer delivery months. Commodities may also fluctuate between backwardation and contango markets. The presence of contango in the commodity markets could result in negative roll yields, which could adversely affect the value of any constituents underlying one or more Reference Indices and, accordingly, the value and amount payable on the Notes.



## DESCRIPTION OF THE NOTES

The following description of the terms of the Notes supplements the description of the general terms of the Notes set forth under the heading “*Description of the Notes*” in the Offering Memorandum. For the purposes of this “*Description of the Notes*”, the term “Note” refers to the Notional Amount per Note specified on the cover page hereof and in the applicable Pricing Supplement. The applicable Pricing Supplement describes the terms that apply specifically to the Notes offered, including any changes to the terms specified herein.

### A. Description of the Notes

#### 1. Final Payment

As a final payment on the applicable Redemption Date, the Holder of the Note will receive the amount due and payable or deliverable to it as specified in the applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement, the amounts payable or deliverable as a final payment under the Notes have been specified for the Notional Amount per Note.

#### 2. Coupon Payments

Unless otherwise specified in the applicable Pricing Supplement, no periodic coupon is payable with respect to the Notes.

#### 3. Payment at Redemption and Notice Prior to Payment

The final payment of the amount due to a Holder of a Note at Redemption will be made to the Holder in whose name the Note is registered in the security register of the Issuer on the applicable Redemption Date in immediately available funds. If in certificated form, the final payment will be made upon surrender of the Note at the office or agency of the Paying Agent (as defined in the Offering Memorandum), maintained for that purpose in the Borough of Manhattan, The City of New York, or at such other paying agency as the Issuer may determine.

The Issuer will provide a written notice to the Trustee and to the Depositary (as defined in the Indenture), no later than at 10:30 a.m. (New York time) on the day immediately prior to the applicable Redemption Date (but if such day is not a Business Day, prior to the close of business on the Business Day preceding the applicable Redemption Date), of the amount of cash or securities to be delivered with respect to the stated Notional Amount of each Note, and deliver such cash or securities to the Trustee for delivery to the Holders on the applicable Redemption Date.

Unless otherwise specified in the Pricing Supplement, all calculations with respect to the payment or delivery, if any, on the applicable Redemption Date to a Holder will be rounded to the nearest hundredth, with five one thousandth rounded upward (e.g. 0.465 would be rounded up to 0.47), and all amounts paid or delivered on the Notional Amount of a Note will be rounded to the nearest cent, with one-half cent rounded upward.

#### 4. Reference Index Level Correction

In the event that any level published by a Index Sponsor which is utilized for any calculation or determination of the payment or delivery at Redemption under a Note is subsequently corrected, and such correction is published and made available by such Index Sponsor after the original publication, but prior to the applicable Redemption Date, the Calculation Agent may, in its sole discretion, determine the amount that is payable or deliverable in respect of such Redemption Date as a result of that correction, and, to the extent necessary, adjust the terms of such Note to account for such correction.

#### 5. Discontinuance or Modification of the Reference Index; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract

If a Reference Index is (i) not calculated and announced by the related Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar

formula for and method of calculation as used in the calculation of such Reference Index, then in each case that index will replace such Reference Index. Additionally, if a Reference Index ceases to be the underlying reference asset of any exchange-traded futures or option contract, the Calculation Agent may, but is not obligated to, replace such Reference Index with a new index; *provided* that such new index uses, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the original Reference Index.

In the event that a Reference Index is replaced under any circumstance described in the previous paragraph, that replacement index will be deemed a “**Successor Index**” for such Reference Index. Upon such a replacement, such Successor Index will be used as a substitute for the original Reference Index for all purposes, including, but not limited to, for purposes of determining the Closing Level and the Relevant Level of such Reference Index, all relevant calculations set forth in the applicable Pricing Supplement and whether a Market Disruption Event, Hedging Disruption Event or Change in Law Disruption Event exists with respect to such Reference Index.

If, with respect to a Reference Index:

- i. on or prior to the Final Valuation Date, the related Index Sponsor (i) announces that it will make a material change in the formula for or the method of calculating such Reference Index or in any other way materially modifies such Reference Index (other than a modification prescribed in that formula or method to maintain such Reference Index in the event of changes in constituent components and other routine events) or (ii) permanently cancels such Reference Index and no Successor Index exists; or
- ii. on or prior to the Final Valuation Date, the related Index Sponsor fails to calculate and announce such Reference Index,

and if the Calculation Agent determines that such event has a material effect on the Notes, then for purposes of determining the amount payable or deliverable to you on any relevant remaining payment date specified in the relevant Pricing Supplement and the applicable Redemption Date, the Calculation Agent shall determine the (or each) Relevant Level or the Final Index Level for such Reference Index using, in lieu of a published level for such Reference Index, the level that would have prevailed had such change, failure or cancellation not been made as calculated by the Calculation Agent in its sole discretion in accordance with the formula for and method of calculating such Reference Index last in effect prior to such change, failure or cancellation, but using only those constituents that comprised such Reference Index prior to such change, failure or cancellation and using the Exchange traded or quoted price of each of such constituents as of the Scheduled Closing Time of the relevant Exchange on the (or each) applicable Valuation Date or the Final Valuation Date, respectively.

However, if the Calculation Agent determines that calculating the level of such Reference Index in the foregoing manner would cause a Hedging Disruption, then the Final Valuation Date for such Reference Index (and only for such Reference Index) will be accelerated to the date on which the change, failure or cancellation of such Reference Index is effective or, if later, the date the Calculation Agent determines that a Hedging Disruption Event would exist. In such a circumstance, the Calculation Agent shall calculate the Final Index Level of such Reference Index using, in lieu of a published level for such Reference Index, the level for such Reference Index as of the Accelerated Final Valuation Date as determined by the Calculation Agent in accordance with the formula for and method of calculating such Reference Index last in effect prior to such change, failure or cancellation, but using only those constituents that comprised such Reference Index prior to such change, failure or cancellation and using the Exchange traded or quoted price of each of such constituents as of the Scheduled Closing Time of the relevant Exchange on the Accelerated Final Valuation Date, and to the extent the Calculation Agent is unable, in its reasonable determination, to calculate such Reference Index in such manner, it will determine the Final Index Level of such Reference Index, in its sole discretion, on such Accelerated Final Valuation Date based on its good faith and commercially reasonable determination of the level for such Reference Index (which may be the level for such Reference Index at which we, the Guarantor or one or more of our affiliates acquire, establish, reestablish, substitute, maintain, unwind or dispose of any hedging transactions with respect to the Notes). **However, although a Hedging Disruption will lead to an acceleration of the Final Valuation Date for such Reference Index, it shall not cause an acceleration of the Maturity Date.** See “Risk Factors – The Determination of the Final Index Level for any Reference Index may be made early upon the occurrence of a Hedging Disruption Event or a Change in Law Disruption Event” in this Product Supplement.

Upon making any such adjustment or upon replacing a Reference Index with a Successor Index, the Calculation Agent will give notice as soon as practicable to the Trustee, stating the adjustment or replacement made. The Calculation Agent will provide information about any adjustment or replacement it makes upon the written request of the Holder.

## **6. Market Disruption Event**

### *Market Disruption Event on the Pricing Date*

Unless otherwise specified in the applicable Pricing Supplement, if there is no Market Disruption Event with respect to a Reference Index on the Pricing Date, the determination of the Initial Index Level of such Reference Index will be made on the Pricing Date, irrespective of, to the extent to the Notes are linked to more than one Reference Index, the occurrence of a Market Disruption Event on the Pricing Date with respect to one or more of the other Reference Indices.

#### *With respect to a Reference Index that is not a commodity index*

Unless otherwise specified in the applicable Pricing Supplement, if, on the Pricing Date, a Market Disruption Event exists with respect to a Reference Index, then the Pricing Date for such Reference Index will be postponed until the immediately succeeding Scheduled Trading Day for such Reference Index on which no Market Disruption Event exists with respect to such Reference Index.

However, unless otherwise specified in the applicable Pricing Supplement, if a Market Disruption Event for a Reference Index exists on eight consecutive Scheduled Trading Days commencing on and including the scheduled Pricing Date, the eighth Scheduled Trading Day will be the Pricing Date for the Reference Index and the Calculation Agent will determine the Initial Index Level for such Reference Index on such date in accordance with the formula for and method of calculating such Reference Index last in effect prior to such Market Disruption Event, but using only those constituents that comprised such Reference Index prior to such Market Disruption Event and using the Exchange traded or quoted price of each of such constituents as of the Scheduled Closing Time of the relevant Exchange on the scheduled Pricing Date (or if a Market Disruption Event has occurred with respect to any constituent of such Reference Index on the scheduled Pricing Date, the Exchange traded or quoted price of such constituent on the immediately succeeding Scheduled Trading Day for such constituent on which no Market Disruption Event occurs with respect to such constituent). Notwithstanding the foregoing sentence, if a Market Disruption Event exists with respect to such constituent on eight consecutive Scheduled Trading Days commencing on and including the scheduled Pricing Date, the Calculation Agent will determine the Initial Index Level using its good faith estimate of the value of such constituent as of the Scheduled Closing Time of the relevant Exchange on such eighth Scheduled Trading Day, which may equal the latest available price or quote for such constituent during the period from the scheduled Pricing Date that was postponed to such eighth Scheduled Trading Day. To the extent the Calculation Agent is unable, in its reasonable determination, to calculate such Reference Index in such manner, it will determine the Initial Index Level for such Reference Index, in its sole discretion, on such date based on its good faith and commercially reasonable determination of the level for such Reference Index (which may be the level for such Reference Index at which we, the Guarantor or one or more of our affiliates acquire, establish, reestablish, substitute, maintain, unwind or dispose of any hedging transactions with respect to the Notes).

#### *With respect to a Reference Index that is a commodity index*

Unless otherwise specified in the applicable Pricing Supplement, if a Market Disruption Event exists with respect to one or more futures contracts underlying a Reference Index on the Pricing Date, then the Initial Index Level of such Reference Index shall be determined by the Calculation Agent in good faith in accordance with the formula and calculation method for such Reference Index then in effect, using:

- a. with respect to each commodity for which no futures contracts are affected by a Market Disruption Event, the settlement price of such futures contract(s), as determined and made public by the relevant Exchange or Related Exchange on the Pricing Date.
- b. with respect to each commodity for which one or more futures contracts are affected by a Market Disruption Event:

- i. the settlement price of all futures contracts related to that commodity as published by the relevant Exchange or Related Exchange for the Pricing Date on the Pricing Date or retrospectively within a period of five consecutive Scheduled Trading Days commencing on, and including, the scheduled Pricing Date, unless the published settlement price of one or more futures contracts related to that commodity is a Limit Price.
- ii. if the settlement price of one or more futures contracts related to that commodity is not published as per paragraph (b)(i) above or is a Limit Price, then the settlement price of all futures contracts for that commodity as determined and made public by the relevant Exchange or Related Exchange for the next Scheduled Trading Day, within a period of five consecutive Scheduled Trading Days commencing on, and including, the scheduled Pricing Date, (X) which is a trading day with respect to all such futures contracts and (Y) on which there is no Trading Limitation or Trading Suspension with respect to such futures contracts.
- iii. if the settlement price of one or more futures contracts related to the commodity is not determined as per paragraph (b)(i) or (ii) above, then (X) with respect to each futures contract not affected by a Trading Limitation or Trading Suspension on the last Scheduled Trading Day within a period of five consecutive Scheduled Trading Days commencing on, and including, the scheduled Pricing Date and for which the relevant Exchange or Related Exchange determines and makes public the settlement price on that day, such published settlement price, and (Y) with respect to any other futures contracts related to that commodity, such futures contract's fair market price as determined by the Calculation Agent on the next following Scheduled Trading Day on the relevant Exchange or Related Exchange.

Notwithstanding the foregoing, with respect to any issuance of Notes, if there is a Market Disruption Event with respect to one or more Reference Indices on the Pricing Date, we reserve the right to cancel or modify such issuance of Notes. If we modify one or more terms of any issuance of Notes due to a Market Disruption Event with respect to one or more Reference Indices on the Pricing Date, we will notify you of such modification and you will be asked to accept such modification in connection with your purchase of the Notes. You may also choose to reject such modification and revoke your offer to purchase the Notes.

#### *Market Disruption Event on any Valuation Date*

Unless otherwise specified in the applicable Pricing Supplement, if, on any Valuation Date for a Reference Index, there is no Market Disruption Event with respect to such Reference Index, the determination of the applicable Relevant Level for such Reference Index will be made on such Valuation Date, irrespective of, to the extent the Notes are linked to more than one Reference Index, the occurrence of a Market Disruption Event on such Valuation Date with respect to one or more of the other Reference Indices.

#### *With respect to a Reference Index that is not a commodity index*

Unless otherwise specified in the applicable Pricing Supplement, if on any Valuation Date for a Reference Index, a Market Disruption Event occurs with respect to such Reference Index, that Valuation Date for such Reference Index will be postponed until the immediately succeeding Scheduled Trading Day for such Reference Index on which no Market Disruption Event occurs with respect to such Reference Index. However, unless otherwise specified in the applicable Pricing Supplement, if a Market Disruption Event for a Reference Index exists on eight consecutive Scheduled Trading Days beginning on and including that Valuation Date for such Reference Index, the eighth Scheduled Trading Day will be that Valuation Date for such Reference Index and the Calculation Agent will determine the Relevant Level for such Reference Index on such date in accordance with the formula for and method of calculating such Reference Index last in effect prior to such Market Disruption Event, but using only those constituents that comprised such Reference Index prior to such Market Disruption Event and using the Exchange traded or quoted price of each of such constituents as of the Scheduled Closing Time of the relevant Exchange on the scheduled Valuation Date (or if a Market Disruption Event has occurred with respect to any constituent of such Reference Index on the scheduled Valuation Date, the Exchange traded or quoted price of such constituent on the immediately succeeding Scheduled Trading Day on which no Market

Disruption Event occurs with respect to such constituent). Notwithstanding the foregoing sentence, if a Market Disruption Event exists with respect to such constituent on eight consecutive Scheduled Trading Days beginning on and including the affected Valuation Date, the Calculation Agent will determine the Relevant Level using its good faith estimate of the value of such constituent as of the Scheduled Closing Time of the relevant Exchange on such eighth Scheduled Trading Day, which may equal the latest available price or quote for such constituent during the period from the affected Valuation Date that was postponed to such eighth Scheduled Trading Day. To the extent the Calculation Agent is unable, in its reasonable determination, to calculate such Reference Index in such manner, it will determine the Relevant Level for such Reference Index, in its sole discretion, on such date based on its good faith and commercially reasonable determination of the level of such Reference Index (which may be the level of such Reference Index at which we, the Guarantor or one or more of our affiliates acquire, establish, reestablish, substitute, maintain, unwind or dispose of any hedging transactions with respect to the Notes). No other payment will be payable or deliverable because of such postponement.

*With respect to a Reference Index that is a commodity index*

Unless otherwise specified in the applicable Pricing Supplement, if a Market Disruption Event exists with respect to one or more futures contracts underlying a Reference Index on a Valuation Date, then the Relevant Level of such Reference Index shall be determined by the Calculation Agent in good faith in accordance with the formula and calculation method for such Reference Index then in effect, using:

- a. with respect to each commodity for which no futures contracts are affected by a Market Disruption Event, the settlement price of such futures contract(s), as determined and made public by the relevant Exchange or Related Exchange on such Valuation Date.
- b. with respect to each commodity for which one or more futures contracts are affected by a Market Disruption Event:
  - i. the settlement price of all futures contracts related to that commodity as published by the relevant Exchange or Related Exchange for such Valuation Date on such Valuation Date or retrospectively within a period of five consecutive Scheduled Trading Days commencing on, and including, the scheduled Valuation Date, unless the published settlement price of one or more futures contracts related to that commodity is a Limit Price.
  - ii. if the settlement price of one or more futures contracts related to that commodity is not retrospectively published as per paragraph (b)(i) above or is a Limit Price, then the settlement price of all futures contracts for that commodity as determined and made public by the relevant Exchange or Related Exchange for the next Scheduled Trading Day, within a period of five consecutive Scheduled Trading Days commencing on, and including, the scheduled Valuation Date, (X) which is a trading day with respect to all such futures contracts and (Y) on which there is no Trading Limitation or Trading Suspension with respect to such futures contracts.
  - iii. if the settlement price of one or more futures contracts related to the commodity is not determined as per paragraph (b)(i) or (ii) above, then (X) with respect to each futures contract not affected by a Trading Limitation or Trading Suspension on the last Scheduled Trading Day within a period of five consecutive Scheduled Trading Days commencing on, and including, the scheduled Valuation Date and for which the relevant Exchange or Related Exchange determines and makes public the settlement price on that day, such published settlement price, and (Y) with respect to any other futures contracts related to that commodity, such futures contract's fair market price as determined by the Calculation Agent on the next following Scheduled Trading Day on the relevant Exchange or Related Exchange.

If a Valuation Date for a Reference Index is not a Scheduled Trading Day for such Reference Index, then that Valuation Date for such Reference Index will be the next day following the scheduled Valuation Date that is a Scheduled Trading Day for such Reference Index. No other payment will be payable because of such postponement.

If a Final Valuation Date for any Reference Index is postponed due to a Market Disruption Event, then the Maturity Date will be postponed until the fifth Business Day following the determination of the Final Index Level for such affected Reference Index. If more than one Reference Index is postponed due to a Marketing Disruption Event, the Maturity Date will be postponed until the fifth Business Day following the last determination of a Final Index Level for any affected Reference Index.

## **7. Change in Law**

If the Calculation Agent determines that a Change in Law Disruption Event (as defined in the section entitled "*Certain Definitions*" herein) has occurred with respect to a Reference Index, then the Final Valuation Date for such Reference Index (and only for such Reference Index) will be accelerated to the date on which such Change in Law Disruption Event occurred. In such a circumstance, the Final Index Level for the affected Reference Index (and only for such Reference Index) will be the Closing Level for such Reference Index as of the Accelerated Final Valuation Date. To the extent the Calculation Agent determines in its sole discretion that it is commercially unreasonable to determine the Final Index Level of such Reference Index in the foregoing manner, it will determine the Final Index Level, in its sole discretion, for such Reference Index (and only for such Reference Index) based on its good faith and commercially reasonable determination of the level for such Reference Index (which may be the level for such Reference Index at which we, the Guarantor or one or more of our affiliates acquire, establish, reestablish, substitute, maintain, unwind or dispose of any hedging transactions with respect to the Notes). However, although a Change in Law Disruption Event with respect to a Reference Index will lead to an acceleration of the Final Valuation Date for such Reference Index, it shall not cause an acceleration of the Maturity Date. See "*Risk Factors – The Determination of the Final Index Level for any Reference Index may be made early upon the occurrence of a Hedging Disruption Event or a Change in Law Disruption Event*" in this Product Supplement.

## **8. Note Provisions to Control**

If the terms described in this Product Supplement are different or inconsistent with those described in the Offering Memorandum, the terms described in this Product Supplement will govern the Notes. If the terms described in the applicable Pricing Supplement are different or inconsistent with those described herein or in the Offering Memorandum, the terms described in the applicable Pricing Supplement will govern the Notes.

## **9. Defined Terms**

All terms used in a Note, which are defined in the Indenture and not otherwise defined herein, have the meanings assigned to them in the Indenture.

## Certain Definitions

“**Accelerated Final Valuation Date**” means:

- i. upon an occurrence of an Event of Default as specified in the section “*Description of the Notes—Events of Default and Remedies; Waiver of Past Defaults*” in the Offering Memorandum, the last Valuation Date shall be accelerated to a date determined by the Calculation Agent in good faith and using its reasonable judgment; or
- ii. with respect to a Reference Index, in the case of a Hedging Disruption Event specified under the section “*Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” herein, the date on which the change, failure or cancellation of such Reference Index is effective or, if later, the date the Calculation Agent determines that a Hedging Disruption Event occurred; or
- iii. with respect to a Reference Index, in the case of a Change in Law Disruption Event specified under the section “*Description of the Notes—Change in Law*” herein, the date on which such Change in Law Disruption Event occurred.

“**Accelerated Maturity Date**” means the fifth Business Day that follows the Accelerated Final Valuation Date. For the avoidance of doubt, a Hedging Disruption or a Change in Law Disruption specified under the sections “*Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract*” and “*Description of the Notes—Change in Law*” herein will not cause an Accelerated Maturity Date.

“**Business Day**” means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in Paris, France or New York City, USA are authorized or required by law, regulation or executive order to close.

“**Change in Law**” means, with respect to any Reference Index, (i) the adoption, enactment, promulgation, execution or ratification of, or any change in, (A) any applicable law or regulation (including, without limitation, any tax law or regulation or any law or regulation implementing the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act) or (B) any regulation, rule or procedure of any exchange or principal trading market on which any asset underlying such Reference Index trades or (ii) the adoption of or any change in the interpretation by any court, tribunal, regulatory or similar authority with competent jurisdiction or supervisory duty or exchange, of any such law, regulation, rule or procedure (including, without limitation, any action taken by a taxing authority).

“**Change in Law Disruption Event**” means, with respect to any Reference Index, following the occurrence of a Change in Law with respect to such Reference Index, the Calculation Agent determines that, on or before the Final Valuation Date, the Issuer or any of its affiliates would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, expense, fee, cost or regulatory capital charge, or it is or will become impracticable, impossible (in each case, after using commercially reasonable efforts), illegal or contrary to any applicable law, regulation, rule or procedure for the Issuer or any of its affiliates, to (i) hold, acquire, establish, reestablish, substitute, maintain, unwind, dispose of or perform obligations in connection with, any transaction(s) and/or asset(s) relating to such Reference Index it deems necessary to hedge the Issuer’s obligations with respect to the Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or asset(s).

“**Closing Level**” means, with respect to any Reference Index and any Scheduled Trading Day for such Reference Index, the official closing level for such Reference Index as published and announced by the related Index Sponsor for such Scheduled Trading Day; subject to the provisions “*Description of the Notes—Market Disruption Event*”, “*Description of the Notes—Discontinuance or Modification of the Reference Index; Alteration of Method of Calculation, No Longer Underlying Reference Asset of a Futures or Option Contract*” and “*Description of the Notes—Change in Law*” herein.

“**Early Closure**” means, with respect to a Reference Index, the closure on any Exchange Business Day for such Reference Index of any Exchange or Related Exchange for such Reference Index prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the

regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the Scheduled Closing Time on such Exchange Business Day.

**“Event of Default”** means any Event of Default listed in the section *“Description of the Notes—Events of Default and Remedies; Waiver of Past Defaults”* in the Offering Memorandum.

**“Exchange”** means, with respect to a Reference Index, each principal exchange or quotation system on which the constituents underlying such Reference Index trade, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the constituents underlying such Reference Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such constituents on such temporary substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means, with respect to a Reference Index, any Scheduled Trading Day for such Reference Index on which each Exchange and each Related Exchange for such Reference Index are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means, with respect to a Reference Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for, any security or constituent underlying such Reference Index on any Exchange for such Reference Index or (B) to effect transactions in, or obtain market prices for, any futures or option contract relating to such Reference Index on any Related Exchange for such Reference Index.

**“Final Index Level”** means, with respect to a Reference Index (subject, in the case of a Market Disruption Event, to a possible determination by the Calculation Agent in the manner described in the section *“Description of the Notes—Market Disruption Event”* herein):

- (a) with respect to the Maturity Date, the Closing Level of such Reference Index on the Final Valuation Date; or, in the case of a Hedging Disruption Event, the level for such Reference Index determined by the Calculation Agent as described in the Section *“Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract”* herein or, in the case of a Change in Law Disruption Event, the level for such Reference Index determined by the Calculation Agent as described in the section *“Description of the Notes—Change in Law”* herein; or
- (b) with respect to the Accelerated Maturity Date in the case of an Event of Default, the Closing Level of such Reference Index on the Accelerated Final Valuation Date.

**“Final Valuation Date”** means, with respect to a Reference Index, the last Valuation Date prior to the Redemption Date (subject to postponement pursuant the section *“Description of the Notes—Market Disruption Event”* herein) on which the Final Index Level of such Reference Index is determined by the Calculation Agent.

**“Hedging Disruption”** means, with respect to any Reference Index, if the related Index Sponsor permanently cancels, materially modifies or fails to calculate and announce such Reference Index and following the occurrence of such cancellation, change or failure, the Issuer or any of its affiliates would incur a materially increased (as compared with the circumstances existing prior to such event) amount of tax, duty, expense fee or cost, or it would be impracticable for the Issuer or any of its affiliates after using commercially reasonable efforts, to (i) acquire, establish, reestablish, substitute, maintain, unwind or dispose of any transaction(s) or assets(s) relating to such Reference Index it deems necessary to hedge the Issuer’s obligations with respect to the Notes, or (ii) realize, recover or remit the proceeds of any such transaction(s) or assets(s).

**“Hedging Disruption Event”** means, with respect to any Reference Index, the occurrence, as determined by the Calculation Agent, of a Hedging Disruption for such Reference Index.

**“Holder”** means, with respect to any Note, the holder in whose name such Note is registered in the security register of the Issuer.



**“Index Sponsor”** means, with respect to a Reference Index, the corporation or other entity (as specified on the cover page of the applicable Pricing Supplement) that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Reference Index and (ii) announces (directly or through an agent) the level of such Reference Index on a regular basis during each Exchange Business Day.

**“Initial Index Level”** means, with respect to a Reference Index, the Closing Level of such Reference Index on the Pricing Date, as specified on the cover page of the applicable Pricing Supplement.

**“Issue Date”** means the Issue Date specified in the applicable Pricing Supplement on which date each Note is issued.

**“Issue Price”** means the issue price specified in the applicable Pricing Supplement at which the Notional Amount per Note is issued.

**“Limit Price”** means, with respect to a Reference Index that is a commodity index, if the relevant Exchange or Related Exchange establishes limits on the range within which the price of a futures contract comprised in such Reference Index may fluctuate and the price of such futures contract is at the upper or lower limit of such range.

**“Market Disruption Event”** means:

1. with respect to a Reference Index (other than a Reference Index that is a commodity index), any Scheduled Trading Day for such Reference Index on which (A) any Exchange or Related Exchange for such Reference Index fails to open for trading during its regular trading session; (B) a Trading Disruption, an Exchange Disruption or an Early Closure has occurred with respect to such Reference Index, which in any case the Calculation Agent determines is material; or (C) any other event (including, but not limited to, increased cost of hedging) that the Calculation Agent determines, in its sole discretion, materially interferes with the ability of the Issuer or any of its affiliates to establish, reestablish, maintain or unwind all or a material portion of a hedge with respect to the Notes that the Issuer or its affiliates have effected or may effect as described above under *“Risk Factors—Hedging and trading activity could potentially adversely affect the value of the Notes”*. Furthermore, for purposes of determining whether a Market Disruption Event has occurred with respect to a Reference Index:
  - i. a limitation on the hours or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of an Exchange or Related Exchange for such Reference Index;
  - ii. to the extent applicable, as determined by the Calculation Agent, limitations pursuant to New York Stock Exchange (“NYSE”) Rule 80A (or any applicable rule or regulation enacted or promulgated by the NYSE, any other self-regulatory organization or the Securities and Exchange Commission of scope similar to NYSE Rule 80A as determined by the Calculation Agent) on trading during significant market fluctuations will constitute a Trading Disruption for such Reference Index;
  - iii. a suspension of trading in futures or options contracts on such Reference Index by a Related Exchange for such Reference Index by reason of (x) a price change exceeding limits set by such Related Exchange, (y) an imbalance of orders relating to such contracts or (z) a disparity in bid and ask quotes relating to such contracts will constitute a Trading Disruption for such Reference Index; and
  - iv. any time when an Exchange or a Related Exchange is itself closed for trading under ordinary circumstances will not be considered a Trading Disruption or an Exchange Disruption.
2. with respect to a Reference Index that is a commodity index, any Scheduled Trading Day for such Reference Index on which (A) any Exchange or Related Exchange for such Reference Index fails to open for trading during its regular trading session; (B) the failure by any Exchange or Related Exchange to determine or make public the settlement price of a futures contract comprising such Reference Index; (C) a Trading Disruption, a Trading Limitation, an Exchange Disruption, a Trading Suspension or an Early Closure has occurred with respect to such Reference Index or

one or more options or futures contracts comprising such Reference Index, which in any case the Calculation Agent determines is material; or (D) any other event (including, but not limited to, increased cost of hedging) that the Calculation Agent determines, in its sole discretion, materially interferes with the ability of the Issuer or any of its affiliates to establish, reestablish, maintain or unwind all or a material portion of a hedge with respect to the Notes that the Issuer or its affiliates have effected or may effect as described above under “*Risk Factors—Hedging and trading activity could potentially adversely affect the value of the Notes*”. Furthermore, for purposes of determining whether a Market Disruption Event has occurred with respect to a Reference Index:

- i. a limitation on the hours or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of an Exchange or Related Exchange for such Reference Index;
- ii. to the extent applicable, as determined by the Calculation Agent, limitations pursuant to NYSE Rule 80A (or any applicable rule or regulation enacted or promulgated by the NYSE, any other self-regulatory organization or the Securities and Exchange Commission of scope similar to NYSE Rule 80A as determined by the Calculation Agent) on trading during significant market fluctuations will constitute a Trading Disruption for such Reference Index;
- iii. a suspension of trading in futures or options contracts on such Reference Index by any Exchange or Related Exchange for such Reference Index by reason of (x) a price change exceeding limits set by such Exchange or Related Exchange, (y) an imbalance of orders relating to such contracts or (z) a disparity in bid and ask quotes relating to such contracts will constitute a Trading Disruption for such Reference Index; and
- iv. any time when an Exchange or a Related Exchange is itself closed for trading under ordinary circumstances will not be considered a Trading Disruption or an Exchange Disruption.

“**Maturity Date**” means the Maturity Date specified on the cover page of the applicable Pricing Supplement, which will be, unless otherwise specified in the applicable Pricing Supplement, the fifth Business Day following the Final Valuation Date.

“**Notional Amount**” means the Notional Amount of each Note specified on the cover page hereof and in the applicable Pricing Supplement.

“**Pricing Date**” means the Pricing Date specified in the applicable Pricing Supplement on which the offering of the Notes is priced.

“**Redemption**” means, for purposes of this Product Supplement, each of the maturity, accelerated maturity and/or Early Redemption, as the case may be.

“**Redemption Date**” means the Redemption Date specified on the cover page hereof and in the applicable Pricing Supplement.

“**Reference Index**” or “**Reference Indices**”, as applicable, means each Reference Index defined on the cover page hereof and specified in the applicable Pricing Supplement.

“**Related Exchange**” means, with respect to a Reference Index, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Reference Index, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to such Reference Index has temporarily relocated; *provided* that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Reference Index on such temporary substitute exchange or quotation system as on the original Related Exchange.

“**Scheduled Closing Time**” means, with respect to an Exchange or Related Exchange and any Scheduled Trading Day for a Reference Index, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

**“Scheduled Trading Day”** means, with respect to any Reference Index, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which (i) the related Index Sponsor is scheduled to calculate and announce such Reference Index and (ii) each Exchange and each Related Exchange for such Reference Index are scheduled to be open for trading for their respective regular trading sessions.

**“Successor Index”** means a Successor Index as defined under the section *“Description of the Notes—Reference Index Discontinuation; Alteration of Method of Calculation; No Longer Underlying Reference Asset of a Futures or Option Contract”* in this Product Supplement.

**“Trading Disruption”** means, with respect to a Reference Index, any suspension of or limitation imposed on trading by any Exchange or Related Exchange for such Reference Index or otherwise and whether by reason of movements in price exceeding limits permitted by such Exchange or Related Exchange or otherwise (A) relating to any security or constituent underlying such Reference Index on such Exchange or (B) in futures or option contracts relating to such Reference Index on such Related Exchange.

**“Trading Limitation”** means, with respect to a Reference Index that is a commodity index, if (A) the relevant Exchange or Related Exchange establishes limits on the range within which the price of a futures contract comprised in such Reference Index may fluctuate and (B) the settlement price of such futures contract is a Limit Price.

**“Trading Suspension”** means, with respect to a Reference Index that is a commodity index, if (A) all trading in a futures contract comprised in such Reference Index is suspended for the entire trading day on a relevant Exchange or Related Exchange or (B) trading in such futures contract is suspended during the relevant trading day on the relevant Exchange or Related Exchange, such suspension is announced less than one hour preceding the commencement of such suspension and trading does not recommence prior to the regularly scheduled close of trading in such futures contract.

**“Valuation Date”** means, with respect to a Reference Index (subject to postponement pursuant to the section *“Description of the Notes - Market Disruption Event”* herein), each Valuation Date specified on the cover page hereof and in the applicable Pricing Supplement, on which a Relevant Level for such Reference Index is determined by the Calculation Agent.

## SUPPLEMENTAL PLAN OF DISTRIBUTION

As described in the section of the Offering Memorandum entitled “*Plan of Distribution*”, we, either ourselves or through one or more of our Dealers (which may include SGAS), will enter into one or more arrangements with agents, underwriters, or dealers (each of such Dealers and such agents, underwriters, or dealers, a “**Distributor**” and collectively, the “**Distributors**”), whereby each Distributor will distribute the Notes. Such distributions may occur on or subsequent to the Issue Date. Each Distributor will be entitled to receive a commission (the “**Distributor Commission**”) for the Notes distributed by such Distributor on or after the Issue Date, as specified in more detail in the applicable Pricing Supplement. Distributor Commission will therefore be embedded in the price you pay for Notes. The Distributors may reoffer the Notes to other dealers who will sell the Notes. Each such dealer engaged by a Distributor, or further engaged by a dealer to whom each such Distributor reoffers the Notes, will be entitled to a portion of the Distributor Commission payable to such Distributor. The Distributor Commission may vary from dealer to dealer and not all dealers will be entitled to the same amount of Distributor Commission, even if such dealers are distributing the same Notes.

The Issuer has agreed to indemnify the Distributors against certain liabilities, including liabilities under the Securities Act of 1933, as amended (the “**Securities Act**”), or to contribute to payments that the Distributors may be required to make in respect thereof.

The offering of the Notes will be conducted in compliance with any applicable requirements of FINRA Rule 5121 of the Financial Industry Regulatory Authority, Inc.

To the extent that the total aggregate Notional Amount of the Notes being offered by this Product Supplement and the applicable Pricing Supplement is not purchased by investors in the offering for the Notes, one or more of our affiliates has agreed to purchase the unsold portion, and to hold such Notes.

Please note that information herein and in the applicable Pricing Supplement about the Pricing Date, Issue Date, Issue Price to the public and net proceeds to the Issuer relates only to the initial sale of the Notes. If you have purchased the Notes in a secondary market transaction after the initial sale, information about the price and date of sale to you will be provided in a separate confirmation of sale.

No offers, sales or deliveries of Notes, or distribution of this Product Supplement, the applicable Pricing Supplement or the Offering Memorandum or any other offering material relating to the Notes, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on us or any Distributor.

For information on selling restrictions in specific jurisdictions in which the Notes will be sold, see the Offering Memorandum.

If we, the applicable Dealer or any of our or its respective affiliates provides a secondary market, we, such dealer or such affiliate will determine the secondary market prices in our or its sole discretion. Any market-making price quoted by us, the applicable Dealer or any of our or its affiliates will be net of all or a portion of any commission paid or allowance made to the Distributors.

### **Conflicts of Interest**

SGAS, one of the potential selling agents in the offerings of Notes, is an affiliate of ours and, as such, has a “conflict of interest” in these offerings within the meaning of FINRA Rule 5121. Consequently, the offerings are being conducted in compliance with the provisions of FINRA Rule 5121. SGAS is not permitted to sell Notes in any offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

## **CERTAIN ERISA CONSIDERATIONS**

For a discussion of the benefit plan investor consequences related to the Notes, see “*Benefit Plan Investor Considerations*” in the Offering Memorandum.