



## Term Sheet

Final Terms and Conditions (our ref. CE0604RAK)

### 3Y Certificate Plus Your Choice on EURO STOXX 50 in EUR

**Issuer** BNP Paribas Arbitrage Issuance B.V.

**Guarantor** BNP Paribas (A+ / A2)

**Issue Type** Certificate

**Issue Amount** EUR 5,000,000

**Number of Certificates** 5,000

**Notional Amount per Certificate (N)** 1 Certificate = EUR 1,000

**Currency** EUR

**Issue Price per Certificate** 100%

**Trade Date** November 9<sup>th</sup>, 2012

**Subscription Period** From November 26<sup>th</sup>, 2012 to December 11<sup>th</sup>, 2012

**Strike Date** December 11<sup>th</sup>, 2012

**Issue Date** December 18<sup>th</sup>, 2012

**Redemption Valuation Date** December 11<sup>th</sup>, 2015

**Redemption Date** December 18<sup>th</sup>, 2015

**Underlying Index (the "Underlying")** EURO STOXX 50 (Bloomberg: SX5E Index)

**Final Redemption** Unless previously redeemed, or purchased and cancelled, the Issuer shall redeem each Certificate on the Redemption Date at the following Cash Settlement Amount:

1) If no **Knock-out Event** has occurred:

$$N \times \max \left( 100\%, \frac{\text{Index}_{\text{Final}}}{\text{Index}_{\text{Initial}}} \right)$$

2) Otherwise:

$$N \times \frac{\text{Index}_{\text{Final}}}{\text{Index}_{\text{Initial}}}$$

#### Where

**Index<sub>Initial</sub>** is the official Closing Level of the Underlying Index on the **Strike Date**, i.e. **TBD**.

**Index<sub>Final</sub>** is the official Closing Level of the Underlying Index on the **Redemption Valuation Date**.

**Knock-out Level** 65% x **Index<sub>Initial</sub>**, i.e. **[TBD]**.

**Knock-out Determination** The Redemption Valuation Date.



**Day**

**Knock-out Valuation Time** Scheduled Closing Time of the Underlying Index on the Redemption Valuation Date.

**Knock-out Event** A Knock-out Event shall be deemed to occur if, at the Knock-out Valuation Time on the Knock-out Determination Day, the Underlying Index is less than the Knock-out Level.

**Business Day Convention** Following Business Day

**Business Days for payment** TARGET2

**Calculation Agent** BNP Paribas Arbitrage S.N.C.

**Governing Law** English

**Listing** None

**Documentation** Final Terms under the Warrant and Certificate Programme of the Issuer dated June 1st, 2012 (as supplemented from time to time) (the "Base Prospectus") a copy of which is available from BNP Paribas Arbitrage S.N.C. on request.  
In the event of any inconsistency between this termsheet and the Final Terms relating to the Certificates, the Final Terms will prevail.

**Form** Clearing System Global Certificate

**Codes** ISIN: XS0774286230  
Common: 077428623

**Reuters Ric for Structure** XS0774286230=BNPP

**Common Depository** BNP Paribas Securities Services, Luxembourg Branch

**Minimum Trading Size** 1 Certificate (and multiples of 1 Certificate thereafter)

**Minimum Subscription Amount** Holders acknowledge having been informed that, other than in Luxembourg, the Certificates cannot be sold by way of a public offering within or outside the European Economic Area (EEA). No action has been or will be taken in any other jurisdiction that would, or is intended to, permit a public offering of the Certificates. Each Holder undertakes to comply with the following rules:

- (i) Where the Holder is located in a EEA member State, the Minimum Subscription Amount shall be an amount equal to at least EUR 10,000 (ten thousand) and multiples of EUR 1,000 thereafter;
- (ii) Where the Holder is located other than in a EEA member State, the Minimum Subscription Amount shall be an amount equal to the higher of:
  - the minimum subscription amount or trading size that would not, by local regulation, require the approval of a prospectus or any offering material in connection with the Certificates; and
  - EUR 1,000 (one thousand) and multiples of EUR 1,000 thereafter.

**Secondary Trading** On any Business Day that is not a Buy-Back Transaction Date, Holders may sell the Certificates on the secondary market in amounts at least equal to:

- (i) EUR 1,000 (one thousand) and multiples of EUR 1,000 thereafter where the purchaser is either a credit institution or an investment firm (which includes the distributor, the Issuer and Members of the Issuer's Group), or otherwise
- (ii) EUR 10,000 (ten thousand) and multiples of EUR 1,000 thereafter.

Daily price indications will be published on Reuters.

No representation is made as to the existence of a market for the Certificates. BNP Paribas Arbitrage SNC will endeavour to make a secondary market in the Certificates, subject to it being satisfied that normal market conditions prevail. Any prices indicated will be dependent upon factors affecting or likely to affect the value of the Certificates such as, but not limited to, the remaining time to the Redemption Date, the outstanding principal amount, the Issuer's or, if applicable, the Guarantor's credit risk, the performance and volatility of the underlying asset, interest rates, exchange rates, credit spreads, and any incidental costs. To the extent BNP Paribas Arbitrage SNC holds Certificates that it can offer and subject to it being satisfied that normal market conditions prevail, such prices will have a bid-offer spread



no greater than 1%. When normal market conditions do not prevail, such prices may have a bid-offer spread of no greater than 3%.

Holders should be aware that the secondary market price for any Security quoted on or after the fourth (4th) Clearing System business day preceding any date on which the Issuer is due to make a payment thereon, shall exclude the amount so payable per Security. The Holder of the Securities on the record date, as determined by the rules of the relevant Clearing System, shall be entitled to receive or retain any such amount on the due date for payment thereof.

### Specific Yearly Buy-Back Provisions

In addition to the provisions related to the Secondary Trading above it has been agreed between the Issuer and BNP Paribas Arbitrage S.N.C. in its capacity as Manager, that BNP Paribas Arbitrage S.N.C. undertakes, subject to normal market conditions prevailing at such time, to purchase Certificates from each Holder subject to the following conditions on any Scheduled Trading Day during the Specific Yearly Buy-Back Period as defined below (each a "**Specific Yearly Buy-Back Date**"), provided that

- a) the official closing level of the Underlying Index on the relevant Specific Yearly Buy-Back Observation Date greater than or equal to  $Index_{Initial}$ ; and
- b) the Holder has notified BNP Paribas Arbitrage S.N.C. in writing (or by telephone with subsequent confirmation in writing) (the "**Notification**") to the contact details given below, between 10.00 a.m and 5.00 p.m. (Paris time) on such Specific Yearly Buy-Back Date of its intention to sell and its request to BNP Paribas Arbitrage S.N.C. to purchase a specified number of Certificates;
- c) the price at which the Certificates shall be repurchased (the "**Buy-Back Transaction Price**") shall be determined by BNP Paribas Arbitrage S.N.C. according to the following formula:

$$\text{Buy-Back Transaction Price}(i) = N \times \text{Index}(i) / \text{Index}(\text{Initial})$$

where:

- N is the Notional Amount of each Certificate;  
Index(i) is the official closing level of the Underlying Index on the relevant Specific Yearly Buy-Back Observation Date; and  
Index(Initial) is the Settlement Price of the Underlying Index on the Strike Date.

- d) the settlement of the Buy-Back Transaction Price per Certificate shall take place at the latest on the 5<sup>th</sup> Business Day following the Specific Yearly Buy-Back Date against delivery of the relevant Certificates.

Contact details at BNP Paribas Arbitrage S.N.C.:  
Email : [eqd.secondary@bnpparibas.com](mailto:eqd.secondary@bnpparibas.com)  
Bloomberg mail : BNPP SECONDARY  
Paris – telephone number : +33 1 4014 9405  
London – telephone number : +44 207 595 3950

A Notification shall only be valid for the Specific Yearly Buy-Back Date in respect of which it has been sent to BNP Paribas Arbitrage S.N.C.. If on the relevant Specific Yearly Buy-Back Observation Date (or - with regards to the Notification - on the relevant Specific Yearly Buy-Back Date) all the conditions as specified above are not met, no purchase transaction will be executed.

### Specific Yearly Buy-Back Period

means the period of [5] Scheduled Trading Days extending from (and including) the Specific Yearly Buy-Back Observation Date to (and including) the 4<sup>th</sup> Scheduled Trading Day after such Specific Yearly Buy-Back Observation Date.

### Specific Yearly Buy-Back Observation Dates

means each yearly anniversary date of the Strike Date, being the December 11<sup>th</sup>, 2013, and the December 11<sup>th</sup>, 2014 or, if such day is not a Scheduled Trading Day, the immediately following Scheduled Trading Day.

### Initial Settlement/Clearing

Delivery versus payment.  
BNP Paribas Arbitrage S.N.C. will settle through Clearstream 81851.  
Settlement must be made in Nominal.



## **IMPORTANT INFORMATION**

Neither BNP Paribas nor any of its affiliates gives any assurance that any Certificate will be issued or any transaction will be entered into on the basis of the terms set out in this document. The information contained in this document is provided to you alone and you agree that it may not be distributed by you other than in compliance with the applicable securities laws and regulations in force in the jurisdiction(s) in which you offer the Certificates described in this document (the "Certificates"). If you have received a copy of this document from anyone other than BNP Paribas or any distributor, it will not contain all the information required for you to assess its contents.

BNP Paribas is not providing the recipients of this document with any investment advice or recommendation to enter into any potential transaction. Any purchaser of Certificates, other than a BNP Paribas counterparty or distributor, will be purchasing the Certificates from such counterparty or distributor and will have no contractual relationship with BNP Paribas or any of its affiliates. In particular BNP Paribas will not be responsible for assessing the appropriateness or suitability of an investment in the Certificates in relation to such third parties.

This document should be read together with the base prospectus for the Certificates (including any Supplements to it, the "Base Prospectus") and the applicable Final Terms for the Certificates (when available) and these documents prevail over any prior communications or materials relating to the terms of the Certificates. Potential investors should carefully read the sections headed "Risk Factors" in the Base Prospectus for a full description of the potential risks associated with the Certificates, and "Offering and Sale", for certain limitations on the purchase and onward sales of the Certificates.

Any illustrative price quotations, investment cases or market analysis contained in this document or any related marketing materials we may have provided to you have been prepared on assumptions and parameters that reflect our good faith judgment or selection but must be subject to your own independent analysis and due diligence before you make any investment decision. Any reference to an Issue Price in this document is not necessarily an expression of the market value of the Certificates. You should conduct your own independent analysis or seek independent advice as to any market value of the Certificates. Please note that there can be conflicts of interests between BNP Paribas and potential investors (see below) and we can therefore not assume any responsibility for the financial consequences of your investment decision, which must be independent.

We require that you undertake your own independent due diligence and avail yourself of your own advisors in order to assess the suitability of Certificates in relation to your own financial objectives. Accordingly, if you decide to purchase Certificates, you will be deemed to understand and accept the terms, conditions and risks associated with the Certificates. You will also be deemed to act for your own account, to have made your own independent decision to purchase the Certificates and to declare that such transaction is appropriate for you based upon your own judgment the advice from such advisers as you have deemed necessary to consult.

Each holder of the Certificates shall also be deemed to assume and be responsible for any and all taxes of any jurisdiction or governmental or regulatory authority and should consult their own tax advisers in this respect.

You should note and assess for the purposes of any investment decision that members of the BNP Paribas group may face possible conflicts of interest in connection with certain duties under the Certificates, such as trading in an underlying for their own account or for the account of others, receiving fees in a number of capacities or taking market views which are not consistent with the objective of the Certificates.

The Certificates are not capital protected at any time. There is a risk of total capital loss, and therefore an investment in the Certificates is highly speculative, involving significant risk, including the possible loss of all of the amount invested, and should therefore only be considered by persons who can afford a loss of all of their investment.

### **Investor Responsibilities**

The Certificates may not be offered to the public in Switzerland.

The Certificates may be offered to the public in Luxembourg, however no action has been or will be taken in any other jurisdiction that would, or is intended to, permit a public offering of the Certificates.

The Certificates are sold to investors on the understanding that they will comply with all relevant securities laws and public offer requirements in the jurisdictions in which the Certificates are placed or resold, including, without limitation, Directive 2003/71/EC (the EU Prospectus Directive) as amended (which includes the amendments made by Directive 2010/73/EU the "2010 PD Amending Directive") and the relevant implementing measures in any EU member state. Where the investor is not the only purchaser of the Securities, any public offer exemption relying solely on offers being made to a restricted number of investors (classified by type or location as applicable) may not be available.

### **Selling Restrictions**

The Certificates may not be offered or sold in the United States or to U.S. persons at any time (as defined in regulation S under the U.S. Securities Act of 1933 or the U.S. internal revenue code). The Certificates have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state in the United States, and are subject to U.S. tax requirements. In purchasing the Certificates you represent and warrant that you are neither located in the United States nor a U.S. person and that you are not purchasing for the account or benefit of any such person. The Certificates may not be offered, sold, transferred or delivered without compliance with all applicable securities laws and regulations.

BNP Paribas is incorporated in France with Limited Liability and is regulated by the Autorité de Contrôle Prudentiel for the conduct of its investment business in France. Registered Office: 16 Boulevard des Italiens, 75009 Paris, France. [www.bnpparibas.com](http://www.bnpparibas.com).



### **Index Disclaimer**

Neither the Issuer nor the Guarantor shall have any liability for any act or failure to act by an Index Sponsor in connection with the calculation, adjustment or maintenance of an Index. Except as disclosed prior to the Issue Date, neither the Issuer, the Guarantor nor their affiliates has any affiliation with or control over an Index or Index Sponsor or any control over the computation, composition or dissemination of an Index. Although the Calculation Agent will obtain information concerning an Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, the Guarantor, their affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning an Index.

### **EURO STOXX 50® Index**

STOXX and its licensors (the "Licensors") have no relationship to BNP PARIBAS, other than the licensing of the EURO STOXX 50® Index and the related trademarks for use in connection with the Certificates.

#### **STOXX and its Licensors do not:**

- Sponsor, endorse, sell or promote the Certificates.
- Recommend that any person invest in the Certificates or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of Certificates.
- Have any responsibility or liability for the administration, management or marketing of the Certificates.
- Consider the needs of the Certificates or the owners of the Certificates in determining, composing or calculating the EURO STOXX 50® Index or have any obligation to do so.

**STOXX and its Licensors will not have any liability in connection with the Certificates. Specifically,**

- **STOXX and its Licensors do not make any warranty, express or implied and disclaim any and all warranty about:**
  - **The results to be obtained by the Certificates, the owner of the Certificates or any other person in connection with the use of the EURO STOXX 50® Index and the data included in the EURO STOXX 50® Index;**
  - **The accuracy or completeness of the EURO STOXX 50® Index and its data;**
  - **The merchantability and the fitness for a particular purpose or use of the EURO STOXX 50® Index and its data;**
- **STOXX and its Licensors will have no liability for any errors, omissions or interruptions in the EURO STOXX 50® Index or its data;**
- **Under no circumstances will STOXX or its Licensors be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or its Licensors knows that they might occur.**

**The licensing agreement between BNP PARIBAS and STOXX is solely for their benefit and not for the benefit of the owners of the Certificates or any other third parties.**