



Term Sheet

Indicative Terms and Conditions (our ref. CE2859GOE) as of July 14th, 2016

2Y Phoenix Snowball on EURO STOXX 50® in EUR

Issuer	BNP Paribas Arbitrage Issuance B.V. (S&P's A)
Guarantor	BNP Paribas (S&P's A / Moody's A1 / Fitch A+)
Issue Type	Certificate
Traded Amount	EUR 1,000,000
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%
Public Offer	Yes, Luxembourg
Listing	None
Trade Date	July 13 th , 2016
Strike Date	August 05 th , 2016
Issue Date	August 12 th , 2016
Redemption Valuation Date	August 06 th , 2018
Redemption Date	August 13 th , 2018
Underlying Index	EURO STOXX 50 (Bloomberg: SX5E Index)
Strike Level	100% x Index_{Initial}
Conditional Coupon (for each Certificate)	<p>If, on any Coupon Valuation Date_n or on the Redemption Valuation Date, the official closing level of the Underlying Index is greater than or equal to 70% of Index_{Initial}, then a Coupon calculated as follows will be paid on the corresponding Coupon Payment Date_n or on the Redemption Date per Certificate:</p> $N \times 1.50\% \times (1 + T)$ <p>Where:</p> <p>T is the number of Coupon Payment Dates since the last Coupon Payment Date on which a Coupon was paid, or since the Issue Date if there has not yet been any Coupon paid (for example, if the Coupon was paid on the previous Coupon Payment Date, then T equals 0 for the following Coupon Payment Date).</p> <p>Otherwise, no Coupon will be paid.</p> <p><i>For the avoidance of doubt, no further Coupon will be paid after the Certificates have been automatically early redeemed.</i></p>
Automatic Early Redemption	<p>If, on any Automatic Early Redemption Valuation Date_n, the official closing level of the Underlying Index is greater than or equal to the Automatic Early Redemption Level, then the Issuer shall redeem each Certificate on the relevant Automatic Early Redemption Date_n at the Automatic Early Redemption Amount calculated as follows:</p> $N \times 100\%$



n	Automatic Early Redemption Valuation Date _n / Coupon Valuation Date _n	Automatic Early Redemption Date _n	Coupon Payment Date _n
1	November 07 th , 2016	November 14 th , 2016	November 14 th , 2016
2	February 06 th , 2017	February 13 th , 2017	February 13 th , 2017
3	May 05 th , 2017	May 12 th , 2017	May 12 th , 2017
4	August 07 th , 2017	August 14 th , 2017	August 14 th , 2017
5	November 06 th , 2017	November 13 th , 2017	November 13 th , 2017
6	February 05 th , 2018	February 12 th , 2018	February 12 th , 2018
7	May 07 th , 2018	May 14 th , 2018	May 14 th , 2018

Automatic Early Redemption Level

$100\% \times \text{Index}_{\text{Initial}}$

Knock-in Level

$70\% \times \text{Index}_{\text{Initial}}$

Knock-in Determination Day

The Redemption Valuation Date.

Knock-in Valuation Time

Scheduled Closing Time of the Underlying Index on the Redemption Valuation Date.

Knock-in Event

A Knock-in Event shall be deemed to occur if, at the Knock-in Valuation Time on the Knock-in Determination Day, the Underlying Index closes at a level strictly less than the Knock-in Level.

Final Redemption

On the **Redemption Date**, if the Certificates have not been automatically early redeemed or purchased and cancelled by the Issuer prior to the Redemption Valuation Date, the Issuer shall redeem each Certificate at the following Cash Settlement Amount:

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

$N \times 100\%$

2) Otherwise:

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

Where

$\text{Index}_{\text{Initial}}$ is the official closing level of the Underlying Index on the **Strike Date**.

$\text{Index}_{\text{Final}}$ is the official closing level of the Underlying Index on the **Redemption Valuation Date**.

Business Day Convention

Following Business Day

Payment Business Days

TARGET2

Calculation Agent

BNP Paribas Arbitrage S.N.C.

Governing Law

English

Documentation

The securities will be issued under the Issuer's Note, Warrant and Certificate Programme (the "**Programme**") by way of Final Terms or Pricing Supplement. Copies of the Programme's base prospectus (the "**Base Prospectus**") dated 9 June 2016 (which sets out the terms and conditions to be completed by the Final Terms or Pricing Supplement) and any supplements thereto are 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: XS1385787988
- Common: 138578798

Reuters Ric for Structure

XS1385787988=BNPP



Common Depositary	BNP Paribas Securities Services, Luxembourg Branch
Minimum Subscription Size	<p>Holders acknowledge having been informed that the Certificates cannot be sold by way of a public offering within or outside the European Economic Area (EEA) except in Luxembourg. No action has been or will be taken in any jurisdiction except in Luxembourg that would, or is intended to, permit a public offering of the Certificates. Each Holder undertakes to comply with the following rules:</p> <p>(i) When the investor is located in Luxembourg, the Minimum Subscription Amount shall be an amount equal to EUR 10,000 (ten thousand) and multiples of EUR 1,000 thereafter;</p> <p>(ii) Where the subsequent Holder is located in a EEA Member State (other than in Luxembourg), the Minimum Subscription Amount shall be an amount equal to at least EUR 100,000 (one hundred thousand) and multiples of EUR 1,000 thereafter;</p> <p>(iii) Where the subsequent Holder is located other than in a EEA Member State, the Minimum Subscription Amount shall be an amount equal to the higher of:</p> <ul style="list-style-type: none">- 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.
Minimum Trading Size	1 Certificate (and multiples of 1 Certificate thereafter)
Secondary Trading	<p>Holders may sell the Certificates on the secondary market in amounts at least equal to:</p> <p>(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</p> <p>(ii) EUR 100,000 (one hundred thousand) and multiples of EUR 100,000,000 thereafter.</p> <p>Daily price indications including accrued interest (dirty) will be published on Reuters.</p> <p>No representation is made as to the existence of a market for the Certificates. BNP Paribas Arbitrage S.N.C. 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 S.N.C. 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%. Such bid-offer spread might be extended to 3% maximum, subject to market conditions.</p> <p>Holders should be aware that the secondary market price for any Certificate 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 Certificate. The Holder of the Certificates 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.</p>
Initial Settlement	<p>Delivery versus payment.</p> <p>BNP Paribas Arbitrage S.N.C. will settle through Clearstream 81851.</p> <p>Settlement must be made in Nominal.</p>
Fees	<p>In connection with the offer and sale of the Certificates, the distributor will purchase the Certificates from BNP Paribas Arbitrage S.N.C. at a discount to the Issue Price or at the Issue Price. If the distributor purchases the Certificates at the Issue Price, BNP Paribas Arbitrage S.N.C. will pay to the distributor a distribution fee. Alternatively, the Certificates may be sold directly to the purchasers/investors pursuant to an offer and sale arranged by the distributor. In these circumstances BNP Paribas Arbitrage S.N.C. will pay to the distributor a distribution fee. Such discount/distribution fee received by the distributor may be in addition to the brokerage cost/fee normally applied by the distributor. Further information regarding such discount/distribution fee is available from the distributor on request.</p> <p>The discount/distribution fee covers distribution and /or structuring cost for a maximum annual amount equivalent to 0.75% p.a. (all tax included) of the Issue Amount.</p> <p>The purchaser/investor is hereby advised that such discount/distribution fee may be retained by the distributor.</p>
Selling Restrictions	As set out in the Base Prospectus.



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