

## Nachtrag

zum Prospekt über das Euro 4.000.000.000,- Debt Issuance Programme  
der Stadtsparkasse Köln

EUR 53.000.000,-  
Inhaberschuldverschreibung von 2003(2009)  
Serie Nr. 505

**Emittentin:**

Stadtsparkasse Köln

**Emissionsbetrag:**

Euro 53.000.000,-

**Zinszahlungen:**

Keine Zinszahlungen

**Rückzahlung:**

Die Rückzahlung erfolgt am 04. 12.2009 gemäß der im Anhang Punkt IV.1 zum Pricing Supplement aufgeführten Formel

**Ausgabepreis:**

75,40 %

**Valuta:**

04. Dezember 2003

**Laufzeit:**

04. Dezember 2003 bis 04. Dezember 2009

**Stückelung:**

EUR 100.000,-

**Verbriefung:**

Dauerglobalurkunde während der gesamten Laufzeit

**Börsennotierung:**

Amtlicher Markt der Börse Düsseldorf

**ISIN Code:**

DE000A0AADG9

**Dealer:**

Bayerische Hypo- und Vereinsbank AG

**PRICING SUPPLEMENT  
(KONDITIONENBLATT)**

**December 1, 2003  
1. Dezember 2003**

Pricing Supplement  
*Konditionenblatt*

**EUR 53,000,000 Index-Linked Redemption Notes due 2009**  
issued pursuant to the  
*EUR 53.000.000 Inhaberschuldverschreibung mit indexgebundener Rückzahlung fällig 2009*  
*begeben aufgrund des*

**Euro 4,000,000,000  
Debt Issuance Programme  
dated June 30, 2003  
datiert 30. Juni 2003**  
of  
*der*

**Stadtsparkasse Köln**

Issue Price: 75.40 per cent.  
*Ausgabepreis: 75,40 %*

Issue Date: December 4, 2003  
*Tag der Begebung: 4. Dezember 2003*

Series No.: 505  
*Serien Nr.: 505*

This Pricing Supplement is issued to give details of an issue of Notes under the Euro 4,000,000,000 Debt Issuance Programme of Stadtsparkasse Köln (the "Programme") and is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Information Memorandum and the Listing Prospectus pertaining to the Programme, as the same may be amended or supplemented from time to time. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

*Dieses Konditionenblatt enthält Angaben zur Emission von Schuldverschreibungen unter dem Euro 4.000.000.000 Debt Issuance Programme der Stadtsparkasse Köln (das "Programm") und ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die "Emissionsbedingungen") zu lesen, die in der jeweils geltenden Fassung des Information Memorandum und des Börsenzulassungsprospekts über das Programm enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls das Konditionenblatt nicht etwas anderes bestimmt, die gleiche Bedeutung, wenn sie in diesem Konditionenblatt verwendet werden.*

All references in this Pricing Supplement to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

*Bezugnahmen in diesem Konditionenblatt auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

All provisions in the Terms and Conditions corresponding to items in this Pricing Supplement which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieses Konditionenblattes beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die "Bedingungen") gestrichen.*

## Form of Conditions

### Form der Bedingungen

- Long-Form (in the case of registered Notes: if the Terms and Conditions and the Pricing Supplement are to be attached to the relevant Note)  
*Nicht-konsolidierte Bedingungen (bei Namensschuldverschreibungen: wenn die Emissionsbedingungen und das Konditionenblatt der jeweiligen Schuldverschreibung beigelegt werden sollen)*
- Integrated (in the case of registered Notes: if the Conditions are to be attached to the relevant Note)  
*Konsolidierte Bedingungen (bei Namensschuldverschreibungen: wenn die Bedingungen der jeweiligen Schuldverschreibung beigelegt werden sollen)*

## Language of Conditions

### Sprache der Bedingungen

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English prevailing)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German prevailing)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

## CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1) WÄHRUNG, STÜCKELUNG, UMSTELLUNG, FORM, DEFINITIONEN (§ 1)

### Currency and Denomination

#### Währung und Stückelung

Specified Currency <i>Festgelegte Währung</i>	Euro ("EUR") <i>Euro ("EUR")</i>
Aggregate Principal Amount <i>Gesamtnennbetrag</i>	EUR 53,000,000 <i>EUR 53.000.000</i>
Specified Denomination(s) <i>Festgelegte Stückelung/Stückelungen</i>	EUR 100,000 <i>EUR 100.000</i>
Number of Notes to be issued in each Specified Denomination <i>Zahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen</i>	530 per EUR 100,000 <i>530 per EUR 100.000</i>

### Bearer Notes/Registered Notes/ Bearer Pfandbriefe/Registered Pfandbriefe Inhaberschuldverschreibungen/Namenschuldverschreibungen/ Inhaberpfandbriefe/Namenspfandbriefe

- Bearer Notes  
*Inhaberschuldverschreibungen*
- Bearer Pfandbriefe  
*Inhaberpfandbriefe*
  - Public Sector Pfandbriefe  
*Öffentliche Pfandbriefe*
  - Mortgage Covered Pfandbriefe  
*Hypothekenpfandbriefe*
- Registered Notes  
*Namenschuldverschreibungen*
- Registered Pfandbriefe  
*Namenspfandbriefe*

Public Sector Pfandbriefe  
*Öffentliche Namenspfandbriefe*

Mortgage Pfandbriefe  
*Namenspfandbriefe*

Minimum Principal Amount for Transfers (specify)  
*Mindestnennbetrag für Übertragungen (angeben)*

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

Definitive Notes and Collective Global Notes  
*Einzelurkunden und Sammelglobalurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

Definitive Notes and Collective Global Notes  
*Einzelurkunden und Sammelglobalurkunden*

**Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

Definitive Notes and Collective Global Notes  
*Einzelurkunden und Sammelglobalurkunden*

**Definitive Notes**  
**Einzelurkunden**

No  
Nein

Coupons  
*Zinsscheine*

Talons  
*Talons*

Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
**Definitionen**

Clearing System

Clearstream Banking AG

Euroclear Bank S.A./N.V. (Euroclear Operator)

- Clearstream Banking, société anonyme
- Other – specify  
*sonstige (angeben)*

Calculation Agent  
*Berechnungsstelle*

Yes  
*Ja*

- Fiscal Agent  
*Emissionsstelle*
- Other (specify)  
*sonstige (angeben)*

Bayerische Hypo- und Vereinsbank AG

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated**  
***Nicht-nachrangig***
- Subordinated**  
***Nachrangig***

**INTEREST (§ 3)**  
***ZINSEN (§ 3)***

- Fixed Rate Notes**  
***Festverzinsliche Schuldverschreibungen***
- Floating Rate Notes**  
***Variabel verzinsliche Schuldverschreibungen***
- Zero Coupon Notes**  
***Nullkupon-Schuldverschreibungen***
- Dual Currency Notes**  
***Doppelwährungs-Schuldverschreibungen***  
(set forth details in full here (including exchange rate(s)  
or basis for calculating exchange rate(s) to determine  
principal and/or interest/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e)  
oder Grundlage für die Berechnung des/der Wechselkurs(e)  
zur Bestimmung von Kapital- und oder Zinsbeträgen/  
Ausweichbestimmungen))*
- Index-Linked Notes**  
***Indexierte Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*
- Instalment Notes**  
***Raten-Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*
- Other (specify)**  
***Sonstige (angeben)***

see Appendix  
*siehe Anhang*  
no coupon payments  
*keine Zinszahlungen*

**Day Count Fraction**  
***Zinstagequotient***

- Actual/Actual (ISMA)
- 30/360
- Insert other relevant Actual/Actual methodology  
pursuant to ISMA (specify)  
*Andere anwendbare Actual/Actual Methode  
nach ISMA einfügen (angeben)*

- Actual/Actual (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

**PAYMENTS (§ 4)**

**ZAHLUNGEN (§ 4)**

**Payment Business Day**

**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

TARGET  
 TARGET

- Exclusion of Set-off and Rights of Retention  
*Ausschluss von Aufrechnung und Zurückbehaltungsrechten*

**REDEMPTION (§ 5)**

**RÜCKZAHLUNG (§ 5)**

**Final Redemption**

**Rückzahlung bei Endfälligkeit**

**Notes other than Instalment Notes**

**Schuldverschreibungen außer Raten-Schuldverschreibungen**

Maturity Date  
*Fälligkeitstag*

December 4, 2009  
 4. Dezember 2009

Redemption Month  
*Rückzahlungsmonat*

Final Redemption Amount  
*Rückzahlungsbetrag*

see Appendix, item IV.1  
*siehe Anhang, Punkt IV.1*

- Principal amount  
*Nennbetrag*

- Final Redemption Amount (per denomination)  
*Rückzahlungsbetrag (für jede Stückelung)*

**Instalment Notes**

**Raten-Schuldverschreibungen**

N/A  
 N/A

Instalment Date(s)  
*Ratenzahlungstermin(e)*

Instalment Amount(s)  
*Rate(n)*

**Early Redemption**

**Vorzeitige Rückzahlung**

**Optional Early Redemption for Reasons of Taxation**

**Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen**

Yes  
 Ja

**Early Redemption at the Option of the Issuer**

**Vorzeitige Rückzahlung nach Wahl der Emittentin**

No  
 Nein

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

Call Redemption Date(s)  
*Wahlrückzahlungstag(e) (Call)*

Call Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Call)*

Minimum Notice to Holders  
*Mindestkündigungsfrist*

Maximum Notice to Holders  
*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder**  
***Vorzeitige Rückzahlung nach Wahl des Gläubigers***

No  
*Nein*

Put Redemption Date(s)  
*Wahlrückzahlungstag(e) (Put)*

Put Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer  
*Mindestkündigungsfrist*

Maximum Notice to Issuer (never more than 60 days)  
*Höchstkündigungsfrist (nie mehr als 60 Tage)*

**Early Redemption Amount**  
***Vorzeitiger Rückzahlungsbetrag***

see Appendix, item IV.2  
*siehe Anhang, Punkt IV.2*

Zero Coupon Notes  
*Nullkupon-Schuldverschreibungen*

N/A  
*N/A*

Reference Price  
*Referenzpreis*

N/A  
*N/A*

**FISCAL AGENT, PAYING AGENTS  
AND CALCULATION AGENTS (§ 6)  
EMISSIONSSTELLE, ZAHLSTELLEN  
UND BERECHNUNGSSTELLE (§ 6)**

- Calculation Agent/specified office  
*Berechnungsstelle/bezeichnete Geschäftsstelle*
- Required location of Calculation Agent (specify)  
*Vorgeschriebener Ort für Berechnungsstelle (angeben)*

Bayerische Hypo- und Vereinsbank AG

Arabellastrasse 12, D-81925 Munich

- Paying Agents  
*Zahlstellen*

- Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

**NOTICES (§ 12)  
MITTEILUNGEN (§ 12)**

**Place and medium of publication**  
***Ort und Medium der Bekanntmachung***

- United Kingdom (Financial Times)  
*Vereinigtes Königreich (Financial Times)*
- Luxembourg (Luxemburger Wort)  
*Luxemburg (Luxemburger Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*
- Federal Gazette  
*Bundesanzeiger*
- France (La Tribune)  
*Frankreich (La Tribune)*
- Switzerland (Neue Zürcher Zeitung and Le Temps)  
*Schweiz (Neue Zürcher Zeitung und Le Temps)*

- Other (specify)  
*sonstige (angeben)*

**GENERAL PROVISIONS APPLICABLE TO THE NOTE(S)**  
***ALLGEMEINE BESTIMMUNGEN HINSICHTLICH DER***  
***SCHULDVERSCHREIBUNG(EN)***

**Listing(s)**

Yes

***Börsenzulassung(en)***

Ja

- Düsseldorf
- Luxembourg
- Paris
- Frankfurt am Main
- London
- Zürich
- Other (insert details)  
*sonstige (Einzelheiten einfügen)*

**Method of distribution**

***Vertriebsmethode***

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

**Management Details**

***Einzelheiten bezüglich des Bankenkonsortiums/Dealer***

Management Group or Dealer (specify)  
*Bankenkonsortium oder Dealer (angeben)*

Commissions  
*Provisionen*

Management/Underwriting Commission (specify)  
*Management - und Übernahmeprovision (angeben)*

Selling Commission (specify)  
*Verkaufsprovision (angeben)*

Listing Commission (specify)  
*Börsenzulassungsprovision (angeben)*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**

None

***Kursstabilisierender Dealer/Manager***

keiner

**Securities Identification Numbers**

***Wertpapierkennnummern***

Common Code  
*Common Code*

018174952

ISIN Code  
*ISIN Code*

DE000A0AADG9

German Securities Code  
*Wertpapierkennnummer (WKN)*

A0AADG

Any other securities number  
*Sonstige Wertpapiernummer*

N/A



**Supplemental Tax Disclosure (specify)**  
*Zusätzliche Steueroffenlegung (einfügen)*

N/A

**Selling Restrictions**  
*Verkaufsbeschränkungen*

- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*

Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

N/A

**Rating**  
*Rating*

N/A

**Governing Law**  
*Anwendbares Recht Deutsches Recht*

**German Law**

**Other Relevant Terms and Conditions (specify)**  
*Andere relevante Bestimmungen (einfügen)*

N/A

**Listing:**  
*Börsenzulassung:*

The above Pricing Supplement comprises the details required to list this issue of Notes pursuant to the approval to listing of Notes under the Euro 4,000,000,000 Debt Issuance Programme of Stadtsparkasse Köln (as from **December 4, 2003**).

*Das vorstehende Konditionenblatt enthält die Angaben, die für die Börsennotierung dieser Emission von Schuldverschreibungen gemäß der Zulassung zum Handel von Schuldverschreibungen unter dem Euro 4.000.000.000 Debt Issuance Programme der Stadtsparkasse Köln (ab dem **4. Dezember 2003**) erforderlich sind.*

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

*Die Emittentin übernimmt die Verantwortung für die in diesem Konditionenblatt enthaltenen Informationen.*

WestLB AG

\_\_\_\_\_  
(as Fiscal Agent)  
(als Emissionsstelle)

Stadtsparkasse Köln

\_\_\_\_\_

## I. RISK FACTOR

**POTENTIAL PURCHASERS OF THESE NOTES SHOULD BE AWARE THAT THE RETURN OF PRINCIPAL THEREON IS LINKED TO THE LEVEL OF THE INDEX. MOVEMENTS IN THE LEVEL OF THIS INDEX MAY ADVERSELY AFFECT THE LEVEL OF THE NOTES AND COULD RESULT IN NOTEHOLDERS RECEIVING UPON FINAL REDEMPTION AN AMOUNT WHICH IS LESS THAN THE AGGREGATE PRINCIPAL AMOUNT OF THE NOTES.**

## II. DISCLAIMER

Bayerische Hypo- und Vereinsbank AG (“HVB” or the “Index Calculation Agent”, which term shall also include any successor calculation agent) does not have a contractual relationship with Stadtparkasse Köln (the “Issuer”), other than as contemplated herein and to act as Index Calculation Agent with respect to the Global Dividend Runner (Price) Index (the “Index”) and in connection with the issuance of the Index-Linked Redemption Notes (the “Notes”). The Notes will not be endorsed, sponsored, sold (other than in its capacity as Dealer of the Notes) or promoted by HVB. The Index is the exclusive property of HVB. HVB and the Issuer have entered into a licensing arrangement whereby the Index may be used by the Issuer for the purposes of issuing the Notes. HVB does not express any recommendation, representation or warranty, express or implied, to the Issuer or the investors or potential investors in this and regarding these Notes or any other securities.

HVB does not have any obligation, does not assume any responsibility and shall not incur any liability

- to determine the timing of, the prices at, or quantities of the Notes to be issued or the equation by which the Notes are redeemable for cash;
- in connection with the administration, marketing or offering of the Notes;
- to take the needs of the Issuer, the investors or potential investors in the Notes into consideration in determining, composing or calculating the Index. Furthermore, HVB will not take such circumstances into consideration.

HVB is not responsible for nor does it assume any obligations or liability with respect to the Notes. HVB does neither explicitly nor impliedly warrant or assume responsibility or liability for

- the results to be obtained by the Issuer or any investor or potential investor from the Notes, the continuing development of the Notes or any descriptions or warranties or representations of the Issuer in the Index description;
- the originality, accuracy and/or completeness of the Index or the Index description or any data included therein;
- the merchantability or fitness for a particular purpose, with respect to the Index or any data included therein;
- lost profits, direct or indirect damages or legal costs and expenses incurred in the course of the enforcement of the Notes, other proven or consequential damages, while investors or potential investors must bear in mind that such damages may be substantial and may not be ignored.

Any contractual relations between the Issuer and HVB with respect to obligations and responsibilities assumed by HVB as Index Calculation Agent and any contractual remedies thereunder are solely for the benefit of HVB and the Issuer, respectively, and not for the benefit of the investors or potential investors or any other third parties.

### III. DESCRIPTION AND COMPOSITION OF THE GLOBAL DIVIDEND RUNNER (PRICE-)INDEX

#### Description

The Index reflects the Price Return Performance of the 16 largest multinational stocks worldwide with the highest dividend yield. Except as far as extraordinary dividends are concerned, the Index does not reflect the reinvestment of dividends in respect of the stocks included in the Index. The Index will be available from the financial information service Reuters, page (.GDRPI) or any successor page.

The dynamic Index will be adjusted every six months (January and July) to reflect current market conditions on an ongoing basis and to warrant that after each adjustment, Index investments are equally weighted.

The Index composition is exclusively based on quantitative principles. The selection criteria for the stocks to be included in the Index is the dividend yield of the 16 largest global multinational companies on the last trading day each of December and June. After each adjustment of a stock included in the Index these stocks will participate in the Index with the same weighting.

The value of the Index will be calculated as the number of stocks included in the Index (=weighting) multiplied by the last available price of the respective stocks on their home exchanges converted into euros at the current exchange rate. The value of the Index will be rounded upwards or downwards to two decimal places, with EUR 0.005 being rounded upwards.

The Index will be calculated by the Index Calculation Agent, which term shall also include any successor calculation agent) on the basis of the terms and conditions of the Index as defined by HVB. Current index levels will be available from the financial information service Reuters (.GDRPI).

#### Composition of the Index

The Index is composed of the following stocks as of November 17, 2003:

Name of stock corporation	Weighting	Home Exchange	RIC
HSBC HOLDINGS	7.68%	London	HSBA.L
CHEVRONTEXACO	6.17%	New York	CVX.N
ALTRIA GROUP	6.64%	New York	MO.N
BARCLAYS	6.73%	London	BARC.L
JP MORGAN CHASE	6.17%	New York	JPM.N
BANK OF AMERICA	5.63%	New York	BAC.N
SBC COMMS	5.44%	New York	SBC.N
VERIZON COMMS	5.02%	New York	VZ.N
DAIMLERCHRYSLER	6.23%	Frankfurt	DCXGn.DE
ROYAL DUTCH	5.85%	Amsterdam	RD.AS
ING GROEP	7.21%	Amsterdam	ING.AS
GLAXOSMITHKLINE	7.10%	London	GSK.L

Name of stock corporation	Weighting	Home Exchange	RIC
ENI	6.66%	Italy	ENI.MI
BP	6.32%	London	BP.L
HBOS	5.46%	London	HBOS.L
LLOYDS TSB GRP	5.69%	London	LLOY.L

Highs and Lows of the Index for the years 2000 to 2002:

2000		2001		2002	
High	Low	High	Low	High	Low
5,088.96	3,881.57	5,122.52	4,423.30	4,647.90	2,708.42

Monthly price of the Index on the last Trading Day as defined below of each month in 2003:

January	February	March	April	May	June
2,734.04	2,601.14	2,504.65	2,775.78	2,811.28	2,976.00
July	August	September	October	November	
3,061.93	3,060.06	2,898.96	3,048.68	3,035.99	

Last price on December 1, 2003: 3,049.78

Source: Bayerische Hypo- und Vereinsbank AG

#### IV. REDEMPTION FORMULAE

##### 1. Final Redemption Amount

The Final Redemption Amount of the Notes per Specified Denomination will be calculated pursuant to the following redemption formula:

$$\text{Specified Denomination} \times \left\{ 1 + p \times \max\left(\frac{I_{\text{final}} - I_{\text{initial}}}{I_{\text{initial}}}; 0\right) - \max\left(\frac{I_{\text{initial}} - I_{\text{final}}}{I_{\text{initial}}}; 0\right) \right\}$$

p = Participation = 65.2 %

with

$I_{\text{initial}}$  = arithmetic average of the closing value of the Index on December 1, 2 and 3, 2003 (each, an "Initial Determination Date") as determined by the Calculation Agent in its sole discretion.

$I_{\text{final}}$  = arithmetic average of the closing values of the Index on the 25<sup>th</sup> of each month from and including November 25<sup>th</sup>, 2008, until and including November 25<sup>th</sup>, 2009 (13 observations) (each, a "Final Determination Date"), as determined by the Calculation Agent in its sole discretion.

If any Initial and/or Final Determination Date is not a Trading Day (as defined below), such Initial and/or Final Determination Date shall be postponed to the next Trading Day. "Trading Day" is (or would have been but for the occurrence of a Market Disruption Event) a day on which the exchanges of all index constituents are open for business as determined by the Calculation Agent in its sole discretion.

## 2. Early Redemption Amount

The Early Redemption Amount of the Notes per Specified Denomination will be calculated pursuant to the following formula:

$$\text{Specified Denomination} \times \left\{ 1 + p \times \max\left(\frac{I_{\text{early redemption}} \times D - I_{\text{initial}}}{I_{\text{initial}}}; 0\right) - \max\left(\frac{I_{\text{initial}} - I_{\text{early redemption}} \times D}{I_{\text{initial}}}; 0\right) \right\}$$

with

- $I_{\text{initial}}$  = as defined above  
 $I_{\text{early redemption}}$  = arithmetic average of the Closing Levels of the Index on each of the four Wednesdays preceding the Early Redemption Date (each, an “Early Redemption Determination Date”), as determined by the Index Calculation Agent in its sole discretion.  
 $D$  = Dividend Adjustment Factor which will be determined by the Index Calculation Agent in its sole discretion

If any Early Redemption Determination Date is not a Trading Day, such Early Redemption Determination Date shall be postponed to the next Trading Day. Provided, however, that such Early Redemption Determination Date shall not be postponed more than three Trading Days and the last Early Redemption Determination Date shall not fall on a Trading Day after the Early Redemption Day. In such case, the closing level of the Index shall be determined on the Trading Day preceding the relevant Early Redemption Determination Date.

## 3. Certain Definitions relating to Market Disruption Events

“**Closing Level**” means the official closing level of the Index as published by the Index Calculation Agent as at the Valuation Time.

“**Exchange**” means, in respect of each security comprising the Index, the exchange or quotation system on which such security has its primary listing.

“**Related Exchange**” means each exchange or quotation system on which options contracts or futures contracts relating to the Index are traded.

“**Index Business Day**” means any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day in respect of which the Closing Level of the Index is published by the Index Calculation Agent .

“**Market Disruption Event**” means, (i) the failure by the Index Calculation Agent for whatever reason (including technical problems) either to publish a Closing Level of the Index at all in respect of any day; or (ii) the occurrence or existence on any Index Business Day of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the exchange or otherwise) (a) on the Exchange in securities that comprise 20 per cent. or more of the level of the Index, or (b) in options contracts or futures contracts on the Index on any Related Exchange, if, in any such case, such suspension or limitation is, in the determination of the Index Calculation Agent, material.

For the purpose of determining whether a Market Disruption Event exists at any time, if trading in a security included in the Index is materially suspended or materially limited at that time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (i) the portion of the level of the Index attributable to that security relative to (ii) the overall level of such Index, in each case immediately before that suspension or limitation.

Provided however that:

(a) If the Index is (i) not calculated and announced by the Index Calculation Agent but is calculated and announced by a successor index calculation agent, or (ii) replaced by a successor index using, in the determination of the Index Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, then that Index will be deemed to be the index so calculated and announced by that successor index calculation agent or that successor index, as the case may be.

(b) If (i) on or prior to any Valuation Date in respect of the Index, the Index Calculation Agent makes a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent stock and capitalization and other routine events), (ii) on any Valuation Date in respect of the Index, the Index Calculation Agent fails to calculate and announce the Index, or (iii) the Index is permanently cancelled and no successor index exists, then the Index Calculation Agent shall calculate the relevant closing level as at that date as determined by the Index Calculation Agent in accordance with the formula for and method of calculating the Index last in effect to that change or failure, but using only those securities that comprised the Index immediately prior to that change or failure (other than those securities that have since ceased to be listed on any relevant exchange) and

(c) If the level of the Index published on a Valuation Date and used or to be used by the Index Calculation Agent to determine the Final Redemption Amount is subsequently corrected and the correction is published by the Index Calculation Agent or a successor index calculation agent within three Index Business Days following the relevant Valuation Date without consideration of any modification of the date as described in (1) and (2) below, and the Index Calculation Agent has notified the Issuer within that time, that Index level for the Valuation Date shall be the level of the Index so corrected.

**“Valuation Dates”** means each Initial Determination Date and each Final Determination Date (or each Early Redemption Determination Date, if applicable).

- (1) If any of the Valuation Dates falls on a date which is not an Index Business Day, the Modified Following Business Day Convention shall apply, or
- (2) If the Index Calculation Agent determines that on the Valuation Date there is a Market Disruption Event in respect of the Index, then such Valuation Date shall be the first succeeding Index Business Day on which the Index Calculation Agent determines that there is no Market Disruption Event, unless the Index Calculation Agent determines that there is a Market Disruption Event on each of the three Index Business Days immediately following the original Valuation Date which would have been the Valuation Date but for the determination by the Index Calculation Agent of the occurrence of the Market Disruption Event.

In that case that third Index Business Day, with regard to the last Valuation Date being in no event later than 1 December 2009, shall be deemed to be the relevant Valuation Date

notwithstanding the Market Disruption Event, and the Index Calculation Agent shall determine the closing level of the Index in accordance with the formula for and the method of calculating the Index last in effect prior to the commencement of the Market Disruption Event using the closing price on the relevant Exchange (or, if trading in the relevant constituent security has been materially suspended or materially limited, its good faith estimate of the price that would have prevailed on such Exchange but for the suspension or limitation) as of the Valuation Time on the Valuation Date of each security comprising the Index.

The Index Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Issuer of the existence of a Market Disruption Event on any day that but for the occurrence or existence of a Market Disruption Event would have been the Valuation Date.

The Noteholders shall not be entitled to any payment whether interest or otherwise in the event that the Index Calculation Agent calculates the Final Redemption Amount due to such Market Disruption Event in the manner described above and no liability whatsoever in respect thereof shall attach to the Issuer.

All determinations and calculations by the Index Calculation Agent for the purpose of determination of the Early Redemption Amount or Final Redemption Amount shall, in the absence of manifest error, be final and binding on all parties.

**“Valuation Time”** means the time in respect of which the Index Calculation Agent calculates and publishes the Closing Level of the Index, on the Valuation Date.