

FINAL TERMS DATED MAY 19, 2008

CALYON FINANCIAL PRODUCTS (GUERNSEY) LIMITED *(incorporated in Guernsey)*

Issue of up to 50,000 Certificates

Programme for the Issuance of Warrants and Certificates

unconditionally and irrevocably guaranteed by

CALYON

(incorporated under the laws of France)

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated August 17, 2007 and the Supplement to the Base Prospectus dated 22 November 2007 which together constitute a base prospectus for the purposes of the Directive 2003/71/EC (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Certificates described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on Calyon Financial Products (Guernsey) Limited (the "**Issuer**") and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus is available for free viewing on the Luxembourg Stock Exchange website (www.bourse.lu), at the registered office of CALYON (9, Quai du Président Paul Doumer, 92920 Paris La Défense Cedex, France) and at the specified office of the Certificate Agents (SA 5, Allée Scheffer, L-2520 Luxembourg). Documents above mentioned will also be available on the Distribution Manager's and Distributors' web site, respectively: www.mpscapitalservices.it and www.mps.it; www.biverbanca.it.

References herein to numbered Conditions are to the terms and conditions of the relevant series of Certificates and words and expressions defined in such terms and conditions shall bear the same meaning in this Final Terms in so far as it relates to such series of Certificates, save as where otherwise expressly provided.

The securities described herein have not been and will not be registered under the U.S. Securities act of 1933, as amended (the "**securities act**"), or the securities laws of any state in the united states, and are subject to U.S. Tax requirements. The securities may not be offered, sold or delivered at any time directly or indirectly within the united states (which term includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America) or to or for the account or benefit of U.S. Persons (as defined in regulation s under the securities act or the united states internal revenue code of 1986, as amended). In purchasing the securities, purchasers hereby represent and warrant that they are neither located in the United States nor a U.S. Person and that they are not purchasing for, or for the account or benefit of, any such person.

The securities are only suitable for sophisticated investors who are willing to take considerable risks. Prospective investors will be required to acknowledge or will have been deemed to have acknowledged that they understand the risks and potential consequences associated with purchases of the securities and that they have made such independent appraisal of the issuer, its

economic circumstances as they think appropriate, and have consulted with their own legal, investment, accounting and tax advisors to the extent they believe is appropriate to assist them in understanding and evaluating the risks involved and the consequences of purchasing the securities.

Any United States person who holds this security will be subject to the limitations under the United States income tax law, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code.

The particulars to be specified in relation to this Series are as follows:

GENERAL PROVISIONS

Issuer:	Calyon Financial Products (Guernsey) Limited
: Guarantor:	CALYON
: Dealer:	CALYON
: Series number of the Certificates:	428
: Tranche number of the Series	1
: If Certificates to be consolidated with certificates of existing series:	No
: Aggregate Number of Certificates in the Series:	up to 50,000
: Aggregate Number of Certificates in the Tranche:	up to 50,000
: Description of the Certificates:	Index Linked Certificates
Issue Date:	August 5, 2008
Issue Price:	EUR 1,010
Nominal Value	EUR 1,000
Nominal Amount:	up to EUR 50,000,000
Date authorisation of Board for issuance of Certificates obtained:	Not Applicable

PROVISIONS RELATING TO INTEREST

Interest Payment Dates:	Not Applicable
Interest Rate:	Not Applicable
Fixed Rate Provisions	Not Applicable
Floating Rate Provisions	Not Applicable
Interest Linked to Indices, Shares, Commodities, Debt, Currency,	Not Applicable

Interest Rate/Other

: Conditional Interest Not Applicable

PROVISIONS RELATING TO REDEMPTION

: Method of Settlement: Cash Settled Certificates

: Certificate holder entitled to elect No
for cash settlement or physical
delivery:

: Redemption Date: August 05, 2013, subject to Condition 5(m)
(*Settlement Disruption*)

: Averaging: Not Applicable

: Cash Settled Certificates: Where:
“Redemption Amount” has the meaning ascribed in
the Annex
“Exchange Rate” is not applicable
“Settlement Currency” means Euros

: Automatic Early Redemption: Not Applicable

– Automatic Early Redemption Not Applicable
Event(s):

– Automatic Early Redemption Not Applicable
Dates:

– Automatic Early Redemption Not Applicable
Amount:

ISSUER CALL OPTION IN RESPECT OF CERTIFICATES

: Issuer Call Option: Not Applicable

HOLDER PUT OPTION IN RESPECT OF CERTIFICATES

: Holder Put Option Not Applicable

: Physical Delivery Certificates: Not Applicable

: Issuer’s Option to Vary Settlement: Condition 5(n) (*Issuer’s Option to Vary Settlement*) is
not applicable

: FX Disruption: Condition 5(o) (*FX Disruption*) is not applicable

: Restrictions: Condition 5(r) (*Restrictions*) is not applicable

: Index Linked Certificates: Applicable
See Annex

: Share Linked Certificates: Not Applicable

: Dividends: Condition 16(c) (*Dividends*) is not applicable

: Commodity Linked Certificates: Not Applicable

. Debt Linked Certificates:	Not Applicable
. Currency Linked Certificates:	Not Applicable
. Interest Rate Linked Certificate:	Not Applicable
. Business Day:	TARGET Business Day (i.e. a day on which the TARGET system is operating)
. Relevant Clearing System(s):	Euroclear/Clearstream, Luxembourg
. Calculation Agent:	CALYON
. Related Exchange:	See Annex
. Other conditions relating to Currency Linked Certificates, Debt Linked Certificates, Interest Rate Linked Certificates, Fund Linked Certificates and other certificates linked to any other underlying asset:	Not Applicable
. Rule 144A eligible:	Not Applicable
. Details of the applicable type of US Selling Restrictions:	Not Applicable
. Details of the relevant US selling restrictions certification required for the Asset Transfer Notice:	Not Applicable
. Details of any additional selling restrictions:	Not Applicable
. Form of Certificates:	Permanent Global Certificate
. ISIN:	XS0356455948
. Common Code:	035645594
. CUSIP:	Not Applicable
. Listing:	Regulated Market of the Luxembourg Stock Exchange
. Principal Certificate Agent	CACEIS Bank Luxembourg
. Swedish CSD	Not Applicable
. Swedish Issuing Agent	Not Applicable
. Norwegian CSD	Not Applicable
. Norwegian Issuing Agent	Not Applicable
. Italian CSD	Not Applicable
. Italian Issuing Agent	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the Final Terms required for issue and public offer in Italy and admission to trading on the Official List of the Luxembourg Stock Exchange of the Certificates described herein pursuant to the Programme for the Issue of Warrants and Certificates of Calyon and Calyon Financial Products (Guernsey) Limited and Calyon Finance (Guernsey) Limited.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By _____
Duly authorized

Signed on behalf of the Guarantor:

By _____
Duly authorized

PART B - OTHER INFORMATION

1 Listing And Admission To Trading

Application has been made by the Issuer (or on its behalf) for the Certificates to be listed and admitted to trading on the Official List of the Luxembourg Stock Exchange with effect from the Issue Date.

2 Ratings

Not Applicable

3 Risk Factors

See Base Prospectus and section "Specific Information Concerning Investment Risks" below

SPECIFIC INFORMATION CONCERNING INVESTMENT RISKS

The following risks are associated to the Certificates:

General

An investment in the Certificates is speculative and subject to a substantial number of risks not associated with similar investments in a conventional debt security. Investors should reach an investment decision only after carefully considering, with their legal, financial, tax accounting and other professional advisors, the suitability of the certificates in light of their particular circumstances and the risk factors set forth below and in the offering documents. The following is only a summary of some of the risks of an investment in the Certificates and investors should read the complete offering documents for a detailed discussion of the risks involved with an investment in the Certificates.

Risk of capital loss

Certificates do not offer any protection on the Nominal Amount. As a consequence, the Certificates holder could be exposed to the risk of capital loss.

Credit risk of the Issuer and the Guarantor

Investors are subject to the credit risk of the Issuer and the Guarantor. The market value of the Certificates may be influenced by unpredictable factors there are various factors that affect the market value of the Certificates.

A prospective purchaser of the Certificates should have such knowledge and experience in financial and business matters and expertise in assessing the credit risk of the Issuer and the Guarantor that it is capable of evaluating the merits, risks and suitability of investing in the range accrual Certificates. Such risks are directly related to the Issuer and the Guarantor and may include but are not limited to a corporate event, moratorium, a failure to pay, repudiation, restructuring and the imposition of exchange control regulations.

Liquidity Risk

Although the liquidity will be provided through the listing on the Luxembourg Stock Exchange, whilst the Certificates could not be liquid enough to facilitate a

sale by its holder.

Calculation Agent's adjustments

The Calculation Agent may adjust or carry on any action to be deemed necessary if any events affecting the normal activities will occur. In such events, the Calculation Agent shall have no obligation to consult previously the Certificate holders.

Risk linked to the selection process of the underlined stocks

The selection process is based on a scoring which aims at selecting undervalued stocks, however, there is no guaranty that such method is a good method to select undervalued stocks in respect to current and future market conditions.

Risk linked to the variation of the underlyings

The Certificates value can vary in relation to the price variation of the underlyings. A positive variation of the Long Strategy Index and the Euribor 3 months rate has a positive effect on the Certificates' value, while a positive variation of the Blue Chip Index has a negative effect on the Certificates' value. Further, the undervalued stocks could also not over-performed in respect to the Blue Chip Index.

Risk of price

In the event that the Certificates holder decides to sell its Certificates, the Certificates price could be relevantly lower than Euro 1,000.

Conflicts of interest between the Issuer and the Guarantor

The Issuer, the Guarantor and/or any of their affiliates may also issue other Certificates in respect of the interest underlying any Certificates. The Guarantor and/or any of their affiliates may also act as underwriter in connection with future offerings of financial instruments related to an issue of certificates or may act as financial adviser to certain company or companies whose financial instruments are included in a basket of certificates or in a commercial banking capacity for such companies. Such activities could present certain conflicts of interest, could influence the prices of such certificates and could adversely affect the value of such Certificates.

Conflicts of interest between the Distribution Manager and the Distributor.

Banca Monte dei Paschi di Siena S.p.A., Biverbanca S.p.A. (the "**Distributors**") and each a "**Distributor**") and MPS Capital Services Banca per le Imprese S.p.A (the "**Distribution Manager**") are affiliates of the MPS Banking Group, being Banca Monte dei Paschi di Siena S.p.A., the principal banking company ("**Capogruppo Bancaria**") of the MPS Banking Group.

The Distribution Manager and the Distributors are in a conflicted situation as they may receive from the Issuer periodic commissions during the life of the Certificates calculated by reference to the outstanding amount of the Certificates. Furthermore, the Distributor will receive from the Issuer Distribution commissions as a percentage to be calculated on the nominal amount of Certificates placed.

It has been understood that, through the purchase of the Certificates, each Certificates holder shall represent and undertake to the Distributors that:

- (i) (i) he understands all the risks and the potential consequences related to the Certificates; and
- (ii) (ii) he has been advised by his legal, financial, accounting, tax or other advisors about the risks and the consequences related to the purchase of the Certificates and such an advice has been deemed suitable by the Certificates holders.

4 Notification

The *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), which is the Luxembourg competent authority for the purpose of the Prospectus Directive, has provided the Commissione Nazionale per le Società e la Borsa in Italy (“**CONSOB**”), inter alios, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

5 Interests of Natural and Legal Persons Involved in the Offer

Save as discussed in “*Risk Factors*” in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.

6 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

Reasons for the offer	For general corporate purposes of the CALYON group of companies
Estimated net proceeds:	Up to EUR 50,000,000
Estimated total expenses:	To be determined at the end of the offer period

7 Index Certificates only – Performance of Index/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying

Applicable

The Issuer does not intend to provide post-issuance information except where required by applicable laws and regulations.

8 Terms and Conditions of the Public Offer

Offer Price:	(iii) Issue Price
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Conditions to which the Offer is subject:	The Issuer reserves the right, subject to prior written notice of the Distribution Manager, to withdraw the offer of the Certificates at any time on or prior the end of the offer period. For the avoidance of doubt, if any application has been made by a potential investor and the Issuer exercises such a right, each such potential
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Description of the application process:	<p>investor shall not be entitled to subscribe or otherwise acquire the Certificates and any applications will be automatically cancelled and any purchase money will be refunded to the applicant.</p> <p>The offer period shall begin on and include, June 03, 2008 and shall end on July 31, 2008 included during the hours in which banks are generally open for business in Milan, Italy. The Certificates placed through door-to-door selling pursuant to Article 30 of the Legislative Decree of 24 February 1998, no. 58, as subsequently amended, will be offered from June 03, 2008 to July 24, 2008 included. In the event that during the offer period the requests reach the Nominal Amount of the offer, the Distribution Manager will proceed to early terminate the offer period of the Certificates at any time on or prior July 31, 2008.</p>
Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:	Certificates will be allotted subject to availability in the order of receipt of investors' applications.
Details of the minimum and/or maximum amount of application:	<p>There is no maximum amount of application.</p> <p>Minimum amount of application is EUR 1,000 and be in multiples of EUR 1,000 thereafter.</p>
Details of the method and time limits for paying up and delivering the Certificates:	Not Applicable
Manner in and date on which results of the offer are to be made public:	<p>The Distribution Manager MPS Capital Services Banca per le Imprese S.p.A. will provide CONSOB with the relevant notices ex art.13, comma 5 and 6 of the CONSOB Regulation n. 11971/1999 as amended from time to time. Publication of such notices will be made on the website of the Distribution Manager MPS Capital Services Banca per le Imprese S.p.A. (www.mpscapitalservices.it).</p>
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not	

exercised:	Not Applicable
Categories of potential investors to which the securities are offered and whether tranche(s) have been reserved for certain countries and additional selling restrictions:	<p>Retail Investors, Professional Clients and Eligible Counterparties as defined in EU Directive 2004/39/CE (respectively: art.4 §1.12; art.4 §1.11, art. 14 n.2) and as implemented in Italy, inter alia, by CONSOB Regulation n.16190/2007.</p> <p>The Certificates must not be offered or sold in any jurisdiction except to persons whose investment activities involve them in acquiring, holding, managing or disposing (as principal or agent) of investments of a nature similar to the Certificates and who are particularly knowledgeable in investment matters.</p> <p>The Base Prospectus was approved by the competent authority in the Luxembourg, as the Home Member State, on 17 August 2007, as amended, and has been published in Italy, as Host Member State, by means of notification to CONSOB on 17 August 2007 pursuant to Article 10-bis of CONSOB Regulation No. 11971 and the Prospectus Directive. The Certificates can therefore be offered to the public in Italy. In any case, the publication in Italy of the Base Prospectus does not imply any prior approval by CONSOB nor any assessment by the same on the appropriateness of the investment or the merit of the relevant data and information</p>
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	<p>Distribution will be in accordance with the Distributor's usual procedures, notified to investors by the Distributor.</p> <p>No dealing in the Certificates may begin before the earlier of (i) the date any such notification is made and (ii) the Issue Date.</p>
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place	See Section 9 below

9 Placing and Underwriting

Name and address of the Distribution Manager of the global offer and of single parts of the offer:

Distribution Manager

MPS Capital Services Banca per le Imprese S.p.A.

Registered Office: 50132 Firenze, viale Mazzini, 46

Direzione Capital Market: 53100 Siena, viale Mazzini, 23

Distributors

Banca Monte dei Paschi di Siena S.p.A.

Registered Office: 53100 Siena Piazza Salimbeni, 3

Biverbanca S.p.A.

Registered Office: 13900 Biella, via Carso, 15

Name and address of any paying agents and depository agents in each country (in addition to the Principal Paying Agent):

Not Applicable

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:

Not Applicable

When the underwriting agreement has been or will be reached:

Not Applicable

10

Yield

Not Applicable

Annex 1

(This Annex forms part to the Final Terms to which it is attached)

1/ FINAL REDEMPTION AMOUNT AND SYNTHETIC DESCRIPTION OF THE PERFORMANCE OF THE CERTIFICATES

A. Final Redemption Amount

Unless previously purchased and cancelled as specified below and in the Terms and Conditions of the Base Prospectus, the Redemption Amount payable by the Issuer on the Redemption Date upon redemption of each Certificate will be an amount in EUR calculated by the Calculation Agent (and rounded to the nearest second decimal, with 0.005 and above being rounded upwards) in accordance with the following provisions:

$$\text{Euro 1,000} * \text{LS Strategy Index}_{\text{final}} / \text{LS Strategy Index}_{\text{initial}}$$

Where:

“**LS Strategy Index** _{final}” means the value of the LS Strategy Index determined by the Calculation Agent as of the Valuation Time at the Final Valuation Date;

“**LS Strategy Index** _{initial}” means the initial value of the LS Strategy Index, which is equal to EUR 100;

“**LS Strategy Index**” is an index created for the purpose of calculating the **LS Strategy Index** _{final} and which the main characteristics are described in section 2 below;

“**Final Valuation Date**” means July 31, 2013;

“**Valuation Time**” means the scheduled weekday closing time of the Exchange or the Related Exchange without regard to after hours or any other trading outside of the regular trading session hours;

“**Exchange**” or “**Stock Exchange**” means the relevant Stock Exchange where each Stock (as defined in paragraph B below) is listed or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the underlying Stock has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Stock on such temporary substitute exchange or quotation system as on the original Exchange);

“**Related Exchange**” means the relevant Derivatives Exchange Market or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Stock 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 Stock on such temporary substitute exchange or quotation system as on the original Related Exchange);

B. Synthetic description of the performance of the Certificates

The yield of each Certificate replicates the investment in the LS Strategy Index (as more fully defined below), which objective is to capture a positive performance with a limited volatility through the systematic application of a Market Neutral strategy.

The LS Strategy Index's objective is to capture the over-performance of a basket of undervalued stocks (the "**Basket**" or "**Long Strategy Index**") with respect to the Dow Jones Euro Stoxx 50[®] Total Return Index (Bloomberg Code: SX5T index) (the "**Blue Chip Index**"). The Basket is represented by the Long Strategy Index.

Every 3 months, the Basket is rebalanced and is selected and adjusted within an universe of stocks composed by the 150 highest capitalized stocks (each the "**Stock**" and jointly the "**Stocks**") of the Standard & Poor's Euro Index (the "**S&P Index**"), using a scoring based on 3 ratios:

- The Price/Earning Ratio ("**P/E**"), which usually indicates the goodness of an investment in the Stock;
- The Price/Book Ratio ("**P/B**"), which indicates how the Stock is undervalued in respect to its accounting value; and
- The Price/Cash Flow Ratio ("**P/C**"), which indicates the capacity of the relevant company to generate cash flows

(jointly the "**Ratios**")

Where:

"Price/Earning Ratio" means a financial ratio that measures the price paid for a share relative to the annual income or profit earned by the firm per share. A higher P/E Ratio means that investors are paying more for each unit of income.

"Price/Book Ratio" means a financial ratio used to compare a company's book value to its current market price. Book value is an accounting term denoting the portion of the company held by the shareholders (i.e. the company's total tangible assets less its total liabilities).

"Price/Cash Flow Ratio" means a financial ratio used to compare a company's market value to its cash flow. It is calculated by dividing the company's market capitalization by the company's operating cash flow during the most recent financial year. In theory, the lower a stock's Price/Cash Flow Ratio is, the better value that stock is.

Permanently the LS Strategy Index accrues interests at 3 months Euribor floating rate and capture the difference between the performance of the Basket and the Blue Chip Index.

The attention of the investors is drawn on the fact that such difference could be negative in the event the performance of the Basket is lower than the performance of the Blue Chip Index and in such a case the LS Strategy Index may decrease its value.

The certificates do not offer any protection.

2/ THE LS STRATEGY INDEX

A. Investment Policy & Composition of the LS Strategy Index

The LS Strategy Index measures the performance of a strategy which is rebalanced on a quarterly basis and is linked to:

- Long Strategy Index: a Long Position on the 25% cheapest stocks selected on the basis of the Ratios among the Stocks;
- Blue Chip Index: a Short Position in the Blue Chip Index; and
- cash invested at the EUR- Euribor 3 Months Floating Rate

Where:

"EUR- Euribor 3 months floating rate" means the rate for deposits in Euros for a period of 3 months which appears on the Reuters Page "EURIBOR01" as of 11:00 a.m.(CET);

"Long Position" means an investment that replicates the performance of the reference underlying;

"Short Position" means an investment that replicates the opposite performance of the reference underlying;

"Market Neutral" is a strategy that seeks to exploit investment opportunities to some specific groups of stocks while maintaining a neutral exposure to broad groups of stocks defined for example by sector, industry, market capitalization, country or region. Market Neutral strategies are often attained by matching long and short positions in different stocks to increase the return from making good stock selections and decreasing the return from broad market movements;

In the particular case of the Certificates, the long position is represented by the Long Strategy Index, and the short position is represented by the Blue Chip Index, which plays the role of the benchmark;

B. LS Strategy Index Value

The initial value of the LS Strategy Index is equal to EUR 100.

- On any Valuation Date_(t), during the first short period (Issue Date; 30 September 2008), the LS Strategy Index will be determined by the Calculation Agent in accordance with the following formula:

$$LS_t = 100 \times \left[\frac{L_t}{100} - \frac{BC_t}{BC_{SD}} + \left(1 + EM_{SD} \times \frac{CD[SD;t]}{360} \right) \right] - AC[SD;t] + Div[SD;t]$$

- On any Valuation Date_(t), from 30 September 2008 to the last Rebalancing Date (30 June 2013), the LS Strategy Index will be determined by the Calculation Agent in accordance with the following formula:

$$LS_t = LS_{RD(t)} \times \left[\frac{L_t}{L_{RD(t)}} - \frac{BC_t}{BC_{RD(t)}} + \left(1 + EM_{RD(t)} \times \frac{CD[RD(t);t]}{360} \right) \right] - AC[RD(t);t] + Div[RD(t);t]$$

- On Valuation Date_(t), during the last short period (last Rebalancing Date 30 June 2013; Final Valuation Date), the LS Strategy Index will be determined by the Calculation Agent in accordance with the following formula:

$$LS_t = LS_{RD(t)} \times \left[\frac{L_t}{L_{RD(t)}} - \frac{BC_t}{BC_{RD(t)}} + \left(1 + EM_{LD} \times \frac{CD[RD(t);t]}{360} \right) \right] - AC[RD(t);t] + Div[RD(t);t]$$

Where:

“**LS_t**” means the value of the LS Strategy Index on each Valuation Date_(t);

“**L_t**” means the value of the Long Strategy Index on each Valuation Date_(t);

“**BC_t**” means the closing level of the Blue Chip Index determined by the Calculation agent as of the Valuation Time on the Valuation Date_(t);

.

“**E3M_t**” means the EUR Euribor 3 months Floating Rate which appears on the Reuters Page

“EURIBOR01” as of 11:00 a.m. (CET) on each Valuation Date_(t);

“**EM_{SD}**” means the linear interpolation between the two nearest EUR n-months Euribor to the first Rebalancing Date prevailing on the Issue Date

“**EM_{LD}**” means the linear interpolation between the two nearest EUR n-months Euribor to the Final Valuation Date prevailing on the last Rebalancing Date

SD means the Issue Date

“**RD(t)**” means the Rebalancing Date strictly prior to the relevant Valuation Date_(t), provided that for any Valuation Date_(t) included from the Issue Date until the first Rebalancing Date (i.e. September 30, 2008), RD(t) will be the Issue Date;

“**CD[RD(t);t]**” means the number of calendar days between RD(t) and the Valuation Date_(t).

“**AC[RD(t);t]**” means the Periodical Fee accrued between RD(t) and the relevant Valuation Date_(t). For avoidance of doubt, on a Rebalancing Date, the Periodical Fee accrued will be equal to the product of:

- The Periodical Fee
- $CD[RD(t);t] / 365$ and
- LS Strategy Index_{initial}

“**Div[RD(t);t]**” means the Accumulated Net Dividends obtained from the Stocks accrued between RD(t) and the relevant Valuation Date_(t) and expressed in percentage of the LS Strategy Index. For avoidance of doubt, according to the formula above, the Div[RD(t);t] value is reinvested in the Long Strategy Index on the next Rebalancing Date;

“**Accumulated Net Dividends**” means the amount of dividends, taxes included, detached from the Stocks inserted into the Basket since the latest Rebalancing Date. Such amount is re-invested in the LS Strategy Index on the following Rebalancing Date;

“**Exchange Business Day**” means any day on which the Exchange or the Related Exchange are open for trading for their respective regular trading session, notwithstanding such Exchange or Related Exchange closing prior to their scheduled weekday closing time without regard to after hours or any other trading outside of the regular trading session hours;

“**Periodical Fee**” means a fee equal to **2.10%** per year. The Periodical Fee is (i) accrued daily, (ii) paid on a quarterly basis and (iii) deducted from the LS Strategy Index. The Periodical Fee will be split between the Issuer, the Distributors and the Dealer as follow:

- 0.50% to the Issuer;

- 1.50% to the Distributors and
- 0.10% to the Distribution Manager;

“**Rebalancing Date**” means each latest Exchange Business Day of March, June, September and December from (and including) September 30, 2008 to (and including) June 28, 2013. The Rebalancing Date is the date on which the Long Strategy Index together with the LS Strategy Index are rebalancing their composition on the base of the Selection Process as (as described below) calculated on the corresponding Weight Calculation Date;

“**Valuation Date_(t)**” means each Exchange Business Day from the Issue Date to July 31, 2013, provided that the Valuation Date_(t) falling on July 31, 2013 will also be defined as “Final Valuation Date”;

“**Weight Calculation Date**” means the date where the composition of the Long Strategy Index is determined and falls five (5) Exchange Business Days prior to the corresponding Rebalancing Date, provided that the new composition of the Long Strategy Index will be effective on the corresponding Rebalancing Date.

C. Long Strategy Index Investment Universe

Long Strategy Index Investment Universe means the Stocks out of which the Basket is selected; it is composed by all large stocks (i.e. 150 largest market capitalizations) that are traded in the Eurozone (excluding the Greek market), are members of the S&P Index (Bloomberg Code: SPEU Index) and which are listed in EUR.

The Long Strategy Index Investment Universe is calculated on each Weight Calculation Date (as defined below).

The total market capitalization taking into consideration for the setting up of the Long Strategy Index Investment Universe is the same used for the weight computations of S&P Index methodology.

D. Long Strategy Index composition

On the Issue Date, the composition of the Long Strategy Index is the one based on the composition of the Basket as determined on June 23, 2008, in accordance with the Selection Process (as described below)

On any Valuation Date_(t), the Long Strategy Index will be determined by the Calculation Agent in accordance with the following formula:

$$L_t = L_{RD(t)} \times \sum_{i=1}^{Nb-S} w_{RD(t)}^i \frac{Stock_t^i}{Stock_{RD(t)}^i}$$

Stock_tⁱ means the Closing Price of the Stockⁱ on the Valuation Date_(t) (being subject to any adjustment described in Section 3/ “*Adjustment*” thereafter).

Stockⁱ means the ith Stock belonging to the Long Strategy Index Investment Universe

Nb_S means the number of Stocks included in the Long Strategy Index Investment Universe
w_tⁱ or Weight means the weight of each Stockⁱ belonging to the Long Strategy Index on the Valuation Date_(t) (as described below on paragraph E “*Stock Weights of the Long Strategy Index*”).

Provided that, for avoidance of doubt:

1. the Weight of each Stock is determined on a Rebalancing Date (RD(t)) and is not modified until the following Rebalancing Date, provided that it will be subject to any adjustment described in Section 3/ “*Adjustments affecting the Stocks and the Blue Chip Index*” thereafter and no Extraordinary Rebalancing Event (as defined below) occurred since that previous Rebalancing Date.
2. The Weight of each Stock is equal to zero if the corresponding Stock has not been selected on the previous Weight Calculation Date, as described below in paragraph F/ “*Selection Process*”).

E. Stock Weights of the Long Strategy Index

The Weight of each Stock composing the Long Strategy Index is determined by the Calculation Agent on the Weight Calculation Date in accordance with the following formula:

If the Stockⁱ is selected:

$$w_{RD(t)}^i = \frac{1}{Nb_S_selected_{WRD(t)}}$$

Otherwise

$$w_{RD(t)}^i = 0\%$$

Where:

“**Nb_S_selected_{WRD(t)}**” means the total number of Stocks selected on the Weight Calculation Date in accordance with the Selection Process

F. Selection Process

The selection process aims at determining the 25% most undervalued Stocks among the Long Strategy Index Investment Universe that will be part of the Basket (the “**Selection Process**”). In order to carry out the Selection Process, the Calculation Agent will use the Ratios.

On each Weight Calculation Date all the Stocks belonging to the Long Strategy Index Investment Universe are ranked according to a Total Value Score based on the Ratios, and using Factset as data source and current value (i.e. cash flows and earnings on a 12 months basis).

The Total Value Score for each Stock will be calculated in accordance with the following formula:

$$\text{Total Value Score}^i = \text{P/E sub- score}^i + \text{P/B sub- score}^i + \text{P/C sub- score}^i$$

and then the Stocks are ranked in accordance with their Total Value Score, provided that an higher Total Value Score will guarantee an higher ranking.

Only the first 38 Stocks (i.e. the first 25% of the Investment Universe having the highest Total Value Score) are selected for the Long Strategy Index to be included into the Basket. In the event where two or more Stocks have the same score of the first quartile all these Stocks will be part of the Long Strategy Index.

The selected Stocks included in the Basket will have the same weight on the Rebalancing Date (i.e. one divided by the number of selected Stocks).

The remaining Stocks belonging to the last 3 quartiles are excluded from the Long Strategy Index (i.e. their weight is equal to 0).

In the formula describing the Total Value Score:

1. If P/E of Stockⁱ exists and is strictly positive:

$$\text{P/E sub- score}^i = \text{Rank (P/E of Stock}^i; \text{ all strictly positive P/E)} / \text{Nb_S}_{P/E}$$

Otherwise

$$\text{P/E sub-score}^i = 0$$

2. If P/B of Stockⁱ exists and is strictly positive:

$$\text{P/B sub- score}^i = \text{Rank (P/B of Stock}^i; \text{ all strictly positive P/B)} / \text{Nb_S}_{P/B}$$

Otherwise

$$\text{P/B sub- score}^i = 0$$

3. If P/C of Stockⁱ exists and is strictly positive:

$$\text{P/C sub- score}^i = \text{Rank (P/C of Stock}^i; \text{ all strictly positive P/C)} / \text{Nb_S}_{P/C}$$

Otherwise

$$\text{P/C sub- score}^i = 0$$

Where:

“**NB_S_{P/E}**” means the number of the Stocks which are included in the Long Strategy Index Investment Universe and has a strictly positive P/E;

“**NB_S_{P/B}**” means the number of the Stocks which are included in the Long Strategy Index Investment Universe and has a strictly positive P/B;

“**NB_S_{P/C}**” means the number of the Stocks which are included in the Long Strategy Index Investment Universe and has a strictly positive P/C;

“**Rank (number; number list)**” is a function that provides the rank of the number within the number list. For avoidance of doubt, the highest number has a rank value of 1 and the smallest number has a rank value equal to the number of elements in the number list. Consequently the Stock with the lowest Ratio (hence lower valuation) will have the best Ratio sub- score.

G. Extraordinary Rebalancing Events

The Long Strategy Index can be exceptionally rebalanced in case of the occurrence of one of the following events (each an “**Extraordinary Rebalancing Event**”):

1. If on any Valuation Date_(t) a Stock reaches a 9% Weight (due to very strong performances during the quarter), such date becoming an Extraordinary Weight Calculation Date;

Or

2. If on any Valuation Date_(t), the sum of the Stocks, which individually have a Weight higher than 5%, exceeds a total weight of 39%, such date becoming an Extraordinary Weight Calculation Date.

In case an Extraordinary Rebalancing Event occurs, the Long Strategy Index will be rebalanced five (5) Exchange Business Days after the Extraordinary Weight Calculation Date according to the Selection Process described above.

In that case, the Calculation Agent will define the composition of the Long Strategy Index on the Extraordinary Weight Calculation Date. Such composition will become effective five (5) Exchange Business Days after the Extraordinary Weight Calculation Date.

Whether no Extraordinary Rebalancing Event occurs, the Weight of each Stock is not modified until the following Rebalancing Date.

3/ ADJUSTMENTS AND EVENTS AFFECTING THE STOCKS AND THE BLUE CHIP INDEX

Upon the occurrence of certain events affecting the value of (i) any Stock belonging to the Basket or (ii) of the Blue Chip Index, from the Issue Date to the Final Valuation Date (both dates inclusive), the Calculation Agent may make the following adjustments listed below.

To make such adjustments, the Calculation Agent may (in its choice) either (i) adopt the treatment used by the relevant authority of the Related Exchange (using the method of adjustment and calculations elected by the relevant Related Exchange) or (ii) use the methods of adjustment defined below.

In the event that no adjustments are applicable, the Calculation Agent is allowed to invest the proceeds of the LS Strategy Index in a deposit capitalizing at EONIA minus the Periodical Fee.

1. Adjustments and events affecting the Stocks

(a) General definitions

For the purposes of this Paragraph:

“**Basket Company**” means a company whose stocks are included in the Basket and Basket Companies means all such companies;

(b) Adjustments

(i) Potential Adjustment Events

The Calculation Agent on behalf of the Issuer reserves the right to make such adjustments or to distribute to the Certificate holders such rights (including without limitation additional Certificates) in connection with the Certificates as it reasonably believes are appropriate in circumstances

which the Calculation Agent believes (in its absolute discretion and notwithstanding any adjustments previously made to the Certificates) should, in the context of the issue of Certificates and its obligations thereunder, give rise to such adjustment or distribution, provided that such adjustment is considered by the Calculation Agent to be appropriate for the purpose of ensuring the economic value attributable to such Certificate (as determined by the Calculation Agent in its absolute discretion) should be as nearly as practicable the same after as before such Potential Adjustment Event has occurred (without considering the individual circumstances of any Certificate holder or the tax or other consequences of such adjustment in any particular jurisdiction) or is required to take account of provisions of the laws of the relevant jurisdiction or the practices of any relevant market. Any adjustment or distribution by the Issuer by way of issuing additional Certificates shall be subject to such procedures and certifications as the Issuer may require and shall be notified to the Certificate holders at the relevant time in accordance with Condition 10 of the Base Prospectus.

For the purposes of this sub-paragraph, “**Potential Adjustment Event**” means the declaration by the Basket Company of the terms of any of the following:-

- (A) a subdivision, consolidation or reclassification of the relevant Stocks (unless such be an Extraordinary Event (as defined below)) or a free distribution of the relevant Stocks to existing holders by way of bonus, capitalization or similar issue; or
- (B) a distribution to existing holders of the relevant Stocks of (a) additional Stocks or (b) other stocks, capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Basket Company, equally or proportionately with such payments to holders of the relevant Stocks, or (c) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent; or
- (C) an extraordinary dividend; or
- (D) a call in respect of relevant Stocks that are not fully paid; or
- (E) a repurchase by it of Stocks, whether out of profits or capital and whether the consideration for such repurchase is cash, new shares, securities or otherwise; or
- (F) any event in respect of the Stocks analogous to any of the foregoing events or otherwise having, in the opinion of the Calculation Agent, a dilutive or concentrative effect on the market value of the relevant Stocks.

In determining whether an adjustment should be made as a result of the occurrence of a Potential Adjustment Event, if options contracts or futures contracts on the relevant Stocks are traded on the Exchange or any other exchange, the Calculation Agent may have regard to, but shall not be bound by, any adjustment to the terms of the relevant options contract or futures contract made and announced by the Exchange or any other exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Certificate holders in accordance with Condition 10 of the Base Prospectus, giving brief details of the adjustment and of the Potential Adjustment Event.

(ii) Extraordinary Events

If any of the following events (each an “**Extraordinary Event**”) occurs on or prior to the Final Valuation Date in respect of the Basket Company:

- (A) the relevant Stocks are reclassified or changed (other than a change in par value, if any, as a result of a subdivision or consolidation);

(B) the Basket Company consolidates, amalgamates or merges with or into another entity (other than a consolidation, amalgamation or merger following which the Basket Company is the surviving entity);

(C) the relevant Stocks are the subject of a takeover offer that results in a transfer of an irrevocable commitment to transfer all the relevant Stocks (other than the relevant Stocks owned or controlled by the offeror);

(D) by reason of the adoption of or any change in any applicable law, the assets of the Basket Company or all of the relevant Stocks then outstanding, are nationalized, expropriated or otherwise required to be transferred to any government, governmental agency or authority;

(E) by reason of the bankruptcy or insolvency (or other analogous event) of the Basket Company (a) all the relevant Stocks are required to be transferred to any trustee, liquidator or similar official; or (b) holders of the relevant Stocks become legally prohibited from transferring them; or

(F) the relevant Stocks cease to be listed on the Exchange and thereafter either (i) cease to be listed on any recognised stock exchange or (ii) have their listing maintained in, in the reasonable opinion of the Calculation Agent, inappropriate conditions,

the Calculation Agent may, in its sole and absolute discretion, determine what amendments are to be made to the terms of the Certificates to take account of the occurrence of an Extraordinary Event as it considers appropriate, such amendments to be effective on the date determined by the Calculation Agent.

Upon the occurrence of a Extraordinary Event, the Calculation Agent shall give notice as soon as practicable to the Certificate holders in accordance with Condition 10 of the Base Prospectus stating the occurrence of the Extraordinary Event giving details thereof and the action proposed to be taken in relation thereto.

2. Adjustments and events affecting the Blue Chip Index

(i) Successor Sponsor Calculates and Reports the Blue Chip Index

If the Blue Chip Index (the “**Index**”) is (i) not calculated and announced by STOXX Limited (the “**Sponsor**”) but is calculated and published by a successor to the Sponsor (the “**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 the Index or (iii) not in existence on or prior to the Final Valuation Date, but the Calculation Agent considers there to be in existence at such time an alternative index which, if substituted for the Index, would materially preserve the economic equivalent of the rights of the Certificate holders under the Certificates immediately prior to such substitution, then the Index will be deemed to be the index so calculated and published by the Successor Sponsor or that successor or alternative index, as the case may be.

If (A) on or prior to the Final Valuation Date in respect of any Series of Certificates the Sponsor or (if applicable) the Successor Sponsor of the Index 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 or contracts and other routine events), or (B) on or prior to the Final Valuation Date the Sponsor or (if applicable) the Successor Sponsor of the Index fails to, or announces its intention not to, calculate and publish the Index other than due to the occurrence on such day of a Market Disruption Event, then the Calculation Agent shall determine the level of the Index at the relevant time on such day using, in lieu of a published official level of the Index, the level for the Index as at the relevant time as determined by the Calculation Agent in accordance with the formula for and method of calculating the Index last in effect prior 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 the relevant stock exchange).

The Calculation Agent will notify the level of the Index as calculated by it as described above as of a particular date upon application by telephone or facsimile by an interested person during normal business hours.

“Index Business Day” means a day on which (subject to the occurrence of a Market Disruption Event) the Index is scheduled to be calculated and disseminated by its Sponsor;

“Market Disruption Event” means the occurrence or existence on any Index Business Day during the one-half hour period that ends at the time at which the Index is calculated and published by the relevant Sponsor of a suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Exchange or otherwise) on:

- (i) the Exchange of securities that comprise 20 per cent. or more of the level of the Index; or
- (ii) any Related Exchange of options contracts or futures contracts on the Index,

if, in the determination of the Calculation Agent, such suspension or limitation is material.

For the purposes of this definition, a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from a published change in the regular business hours of the Stock Exchange(s) or any Related Exchange.

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 the Index, in each case immediately before that suspension or limitation; and

“Related Exchange” means, in relation to the Index, each exchange or quotation system, if any, on which options contracts or futures contracts on the Index are traded or quoted, and as may be selected from time to time by the Calculation Agent.

- (ii) Correction of the Index

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for the payment of the Redemption

Amount if the Index published on a given day and used or to be used by the Calculation Agent to determine the Redemption Amount is subsequently corrected and the correction published by the Index Sponsor within 30 days of the original publication, the level to be used shall be the level of the Index as so corrected. Corrections published after the day which is three Exchange Business Days prior to the Redemption Date will be disregarded by the Calculation Agent for the purposes of determining the Redemption Amount.

4/ CALCULATION BINDING

The calculations and determinations of the Calculation Agent shall (save in the case of manifest error) be final and binding upon all parties. The Calculation Agent shall have no responsibility for good faith errors or omissions in the calculations and determinations of the Final Redemption Amount of any Certificate as provided herein.

5/ INFORMATION RELATING TO THE UNDERLYINGS OF THE LS STRATEGY INDEX

The underlyings of the LS Strategy Index are composed by (i) the Long Strategy Index Investment Universe, (ii) the Blue Chip Index and (iii) the Euribor 3 months floating rate.

Long Strategy Index Investment Universe

The Long Strategy Index will be composed by Stocks belonging to the S&P Index and selected according to the Selection Process. The graph below illustrates the historical value of the S&P Euro Index over the period 10/04/2003 – 10/04/2008.



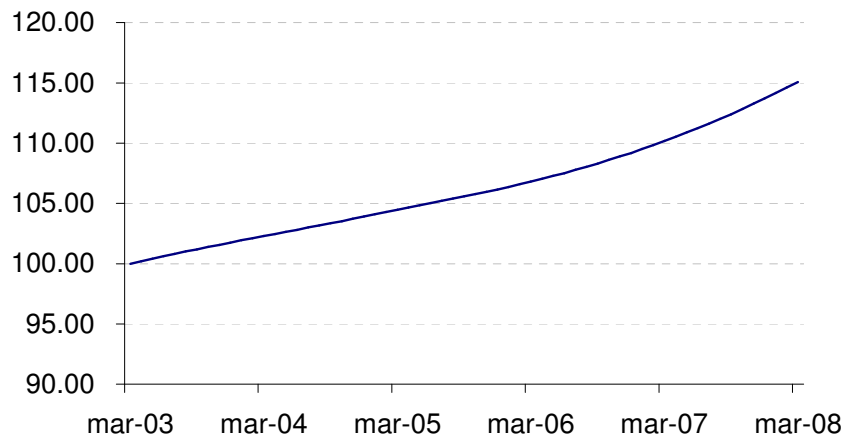
The Blue Chip Index

The following graph illustrates the historical value of the DJ EuroStoxx 50[®] Index Total Return over the period 10/04/2003 – 10/04/2008.



The Euribor 3 months floating rate

The following graph illustrates the historical value of a deposit capitalizing at the Euribor 3 month rate over the period 10/03/2003 – 10/03/2008.



Please note that past performances, or performance simulations based upon historical data, can not be regarded as an indication to future results, nor can they guarantee expected returns. The value of stocks is subject to market fluctuations; therefore, the value of an investment can fall as well as rise.

Sensitivity on the Certificate performance

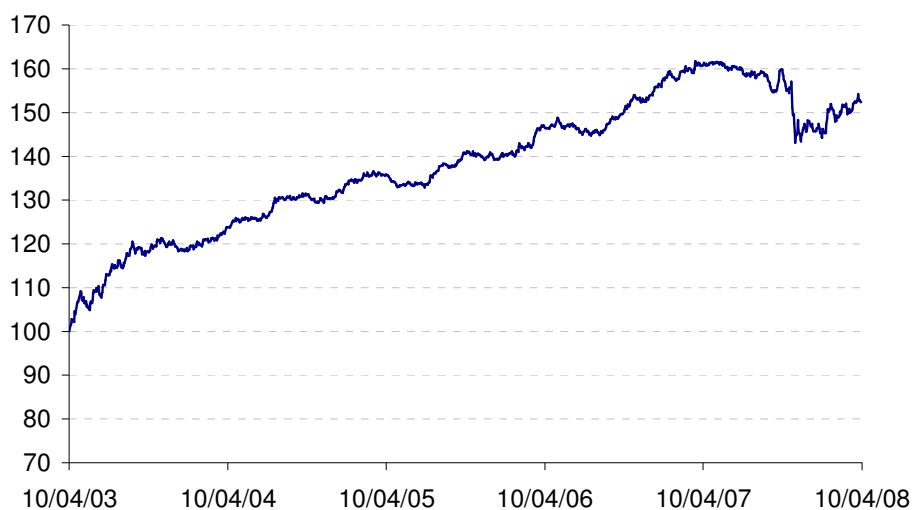
The performance of the Certificates will be subject to the price variation of the underlyings components of the LS Strategy Index and to particular risks described below:

- Effects of the variation of the Long Strategy Index: a positive variation of the Long Strategy Index has a positive effect on the performance of the Certificates.
- Effects of the variation of the Blue Chip Index: a positive variation of the Blue Chip index has a negative effect on the performance of the Certificates.
- Effects of the variation of the Euribor 3 months floating rate: a positive variation of the floating rate has a positive effect on the performance of the Certificates.

- Effect of the volatility of the LS Strategy Index: this parameter does not impact on the performance of the Certificates, due to the nature of the implied derivative component.
- The effect of the time decay: this parameter does not impact on the performance of the Certificates due to the nature of the implied derivative component.
- Risk linked to the goodness of the Selection Process: the Selection Process is based on a scoring which aims at selecting the Stocks, however there is no guarantee that such method is an adequate method to select the Stocks taking into consideration current and future market conditions.
- Risk of no over-performance of the Basket in respect to the Blue Chip Index: the LS Strategy Index is structured in order to benefit from the over-performance of the Stocks compared with the Blue Chip Index. However, the selection of a Stock does not guarantee that it will carry on a better performance in the short term or in the long term horizon.

6/ HISTORICAL VALUE OF THE LS STRATEGY INDEX

The following graph illustrates the historical value of the LS Strategy Index over the period 10/04/2003 – 10/04/2008 (the historical value includes an annual Periodical Fee, daily accrued, equal to 2.10%).



Past performance, or performance simulations based upon historical data, can not be regarded as an indication to future results, nor can they guarantee expected returns. The value of Stocks is subject to market fluctuations; therefore, the value of an investment can fall as well as rise.

7/ EXAMPLES AND HYPOTHESIS OF PERFORMANCE

Examples of performance of the Certificate between two Rebalancing Dates

The examples below illustrate how the Certificate is varying between 2 Rebalancing Dates. It is assumed that the number of calendar days between the two Rebalancing Dates is 90 and that the 3 months Euribor floating rate is equal to 4.7%.

- Positive case

Value of the LS Strategy Index on the initial Rebalancing Date	Long Strategy Index return between the two Rebalancing Dates	Blue Chip Index return between the two Rebalancing Dates	Net dividend of the Long Strategy Index between the two Rebalancing Dates, in % of the LS Strategy Index
€ 103	+4.5%	+2.0%	0.70%

In that case, the Long Strategy Index over-performs the Blue Chip Index.

The LS Strategy Index at the end of the period included between the 2 Rebalancing Dates will be equal to:

$$103 \times \left[+4.5\% - 2\% + \left(1 + 4.7\% \times \frac{90}{360} \right) \right] - 2.10\% \times \frac{90}{365} \times 100 + 0.70\% \times 103 = 106.99$$

Then, the performance of the Certificates between the 2 Rebalancing Dates is equal to +3.9% (=106.99/103-1)

- Intermediate case

Value of the LS Strategy Index on the initial Rebalancing Date	Long Strategy Index return between the two Rebalancing Dates	Blue Chip Index return between the two Rebalancing Dates	Net dividend of the Long Strategy Index between the two Rebalancing Dates, in % of the LS Strategy Index
€ 103	-1.0%	-1.0%	0.70%

In that case, the Long Strategy Index performs in line with the Blue Chip Index.

The LS Strategy Index at the end of the period included between the 2 Rebalancing Dates will be equal to:

$$103 \times \left[-1.0\% - (-1.0)\% + \left(1 + 4.7\% \times \frac{90}{360} \right) \right] - 2.10\% \times \frac{90}{365} \times 100 + 0.70\% \times 103 = 104.41$$

Then, the performance of the Certificates between the 2 Rebalancing Dates is equal to +1.4% (=104.41/103-1)

- Negative case

Value of the LS Strategy Index on the initial Rebalancing Date	Long Strategy Index return between the two Rebalancing Dates	Blue Chip Index return between the two Rebalancing Dates	Net dividend of the Long Strategy Index between the two Rebalancing Dates, in % of the LS Strategy Index
€ 103	-1.0%	+1.5%	0.70%

In that case, the Long Strategy Index under-performs the Blue Chip Index.

The LS Strategy Index at the end of the period included between the 2 Rebalancing Dates will be equal to:

$$103 \times \left[-1.0\% - (+1.5)\% + \left(1 + 4.7\% \times \frac{90}{360} \right) \right] - 2.10\% \times \frac{90}{365} \times 100 + 0.70\% \times 103 = 101.84$$

The performance of the Certificates between the 2 Rebalancing Dates is equal to -1.1% (=101.84/103-1)

Examples of performance of the Certificate on the Redemption Date

Taking into consideration that the Certificates could offer an increase of their initial price in relation to the performance of the LS Strategy Index, the following performance hypothesis are possible.

- Positive case

Issue Price	LS Strategy Index initial	LS Strategy Index final	Redemption price
€ 1010	€100	€130	€1300

- Intermediate case

Issue Price	LS Strategy Index initial	LS Strategy Index final	Redemption price
€ 1010	€100	€123	€1230

- Negative case

Issue Price	LS Strategy Index initial	LS Strategy Index final	Redemption price
€ 1010	€100	€85	€850

In the negative case, the Certificateholders will have a loss on the investment, since they will receive on the Redemption Date an amount equal to €850.0, which is lower than €1,010 (i.e. the Issue Price).

8/ SPLIT OF THE ISSUE PRICE

In accordance with the market conditions available at the date of these *Final Terms*, the Issue Price of each Certificate can, from a financial point of view, be split as follows:

- value of the derivative component:	Eur 1,000.00;
- value of the obligation component:	Eur 0.00;
- Net proceeds for the Issuer	Eur 1,000.00;
- Distribution commissions	Eur 10.00

- Issue Price	Eur 1,010.00
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The derivative component of each Certificate is corresponding to a European Call Option with a strike equal to 0%, automatically exercised at the Final Valuation Date in relation to the LS Strategy Index _{final}.

Where:

"European Call Option" means a financial contract between two parties, where the buyer has the right, but not the obligation, to buy an agreed quantity of a particular underlying from the seller at the expiration date and for a certain price (the strike price). The buyer pays a premium for this right.

9/ DISCLAIMER FROM STOXX LIMITED

STOXX and Dow Jones have no relationship to CALYON, other than the licensing of CALYON to insert name of the Dow Jones Euro Stoxx 50 Index and the related trademarks for use in connection with the Certificates.

STOXX® and Dow Jones® 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 the 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 Dow Jones® Euro STOXX® 50 Index or have any obligation to do so.

STOXX® and Dow Jones will not have any liability in connection with the Certificates. Specifically,

- **STOXX® and Dow Jones® 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 Dow Jones® Euro STOXX® 50 Index and the data included in the Dow Jones Euro STOXX® 50 Index;**
 - **The accuracy or completeness of the Dow Jones® Euro STOXX® 50 Index and its data;**
 - **The merchantability and the fitness for a particular purpose or use of the Dow Jones® Euro STOXX® 50 Index and its data;**
- **STOXX® and Dow Jones® will have no liability for any errors, omissions or interruptions in the Dow Jones® Euro STOXX® 50 Index or its data;**
- **Under no circumstances will STOXX® or Dow Jones® be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX® or Dow Jones® knows that they might occur.**

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