

SUPPLEMENT DATED 31 OCTOBER 2017 TO THE

BASE PROSPECTUS DATED 16 MARCH 2017

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

(incorporated with limited liability in the Republic of Italy)

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.

(incorporated with limited liability in Luxembourg)

Issuance Programme

**guaranteed in the case of Certificates and Warranties issued by Mediobanca International
(Luxembourg) S.A.**

by

MEDIOBANCA - Banca di Credito Finanziario S.p.A.



*This supplement dated 31 October 2017 (the "**Supplement**") to the base prospectus dated 16 March 2017 (the "**Base Prospectus**") constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") and regulation 51 of the Prospectus Regulations 2005 of Ireland (the "**Irish Prospectus Regulations**") and is prepared in connection with the Issuance Programme of Mediobanca - Banca di Credito Finanziario S.p.A. ("**Mediobanca**") and Mediobanca International (Luxembourg) S.A. ("**Mediobanca International**") (each an "**Issuer**" and together the "**Issuers**").*

Capitalised terms used in this Supplement and not otherwise defined herein, shall have the same meaning ascribed to them in the Base Prospectus.

This Supplement constitutes a supplement to the Base Prospectus, and shall be read in conjunction with the Base Prospectus.

This Supplement is for the purposes of:

- (i) updating the "Summary of the Programme" section "B.12" on pages 15-22 of the Base Prospectus;*
- (ii) (a) updating the risk factors "Risks in connection with the exposure of the Mediobanca Group to the Eurozone sovereign debt" (on page 74) and "Risks associated with the early redemption of the Memory Autocallable Certificates, Autocallable Certificates, Bonus Autocallable Certificates and Standard Long Autocallable Barrier Protected Certificates" (on page 120) set out in the section "Risk Factors" of the Base Prospectus, (b) adding the risk factor "Risks*

relating to the memory effect associated with the Phoenix Remuneration in respect of the Autocallable Certificates" to the section "Risk Factors" of the Base Prospectus;

- (iii) updating the "Documents Incorporated by Reference" section on page 131 of the Base Prospectus to incorporate by reference (a) the audited consolidated annual financial statements of Mediobanca as at and for the year ended on 30 June 2017; (b) the audited non-consolidated annual financial statements of Mediobanca International as at and for the year ended on 30 June 2017;*
- (iv) updating the "Information on Mediobanca – Banca di Credito Finanziario S.p.A." section;*
- (v) updating the "Information on Mediobanca International (Luxembourg) S.A." section;*
- (vi) reflecting the amendments (iv) and (v) in the "General Information" section on pages 479-482 of the Base Prospectus;*
- (vii) amending the pay-out set out in Condition 21(xiii) (Pay-out provisions) on page 264 of the Base Prospectus;*
- (viii) amending the definition of "Remuneration Amount" set out in Condition 22 (O) (Definitions) on page 280 of the Base Prospectus; and*
- (ix) reflecting the amendments (vi) and (vii) above in (a) the "Summary of the Programme" sections "C.15" (on pages 27-35), "C.18" (on pages 39-63) and "D.6" (on pages 65-69) of the Base Prospectus, and (b) the "Form of Final Terms" section on pages 401-462 of the Base Prospectus.*

Each of the Issuers and, with respect to Securities issued by Mediobanca International, also the Guarantor, accepts responsibility for the information contained in this document and, to the best of the knowledge of each of the Issuers and the Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

*This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**" or "**CBI**"), as the competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.*

Copies of this Supplement will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Irish Stock Exchange's website (www.ise.ie), on the Mediobanca's website (www.mediobanca.com) and on the Mediobanca International's website (www.mediobancaint.lu).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

The language of this Supplement is English. Any foreign language text that is included with or within this Supplement has been included for convenience purposes only and does not form part of this Supplement.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy

relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

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SUMMARY OF THE PROGRAMME

Summaries are made up of disclosure requirements known as "" Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of " not applicable".

Certain provisions of this summary appear in brackets. Such information will be completed or, where not relevant, deleted, in relation to a particular Series of Securities and the completed summary in relation to such Series of Securities shall be appended to the relevant Final Terms.

Section A – Introduction and warnings

Element	Description of Element	Disclosure requirement
A.1	Warnings	<p>This summary should be read as an introduction to the Base Prospectus.</p> <p>Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Securities.</p>
A.2	Consent to the use of the Base Prospectus	<p>[Not Applicable – The Issuer[s] do[es] not consent to the use of the Base Prospectus for subsequent resales.]</p> <p>[The Issuer[s] consent[s] to the use of this Base Prospectus in connection with a Non-exempt Offer of the Securities subject to the following conditions:</p> <p>(i) the consent is only valid during the period from [[] until []/[the Issue Date]/[the date which falls [] business days thereafter]] (the "Offer Period");</p> <p>(ii) the only persons ("Offerors") authorised to use this Base Prospectus to make the Non-exempt Offer of the Securities are the relevant Dealer and [(a) [] [and []] and/or (b) if the relevant Issuer appoints additional financial intermediaries after [] (being the date of the Final Terms) and publishes details of them on its website, each financial intermediary whose details are</p>

		<p>so published]/[any financial intermediary which is authorised to make such offers under the Directive 2004/39/EC (the Markets in Financial Instruments Directive) and which acknowledges on its website that it is relying on this Base Prospectus to offer the relevant Tranche of Securities during the Offer Period; [and]</p> <p>(iii) the consent only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in [] [and []]; [and]</p> <p>[(iv) the consent is subject to the following other condition[s]: []].</p> <p>[Any Offeror falling within sub-paragraph (ii)(b) above who meets all of the other conditions stated above and wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website (i) that it has been duly appointed as a financial intermediary to offer the relevant Tranche of Securities during the Offer Period (provided such financial intermediary has in fact been so appointed), (ii) that it is relying on this Base Prospectus for such Non-exempt Offer with the consent of the relevant Issuer and (iii) the conditions attached to that consent.]</p> <p>The consent referred to above is valid for the period of 12 months from the date of this Base Prospectus. Each Issuer accepts responsibility, in the jurisdictions to which the consent to use this Base Prospectus extends, for the content of this Base Prospectus in relation to any investor who acquires any Securities issued by such Issuer in a Non-exempt Offer made by any person to whom consent has been given to use this Base Prospectus in that connection in accordance with the preceding paragraphs, provided that such Non-exempt Offer has been made in accordance with all the conditions attached to that consent.</p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY SECURITIES IN A NON-EXEMPT OFFER FROM AN OFFEROR OTHER THAN THE RELAVANT ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NEITHER THE RELEVANT ISSUER NOR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.</p>
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Section B – Issuers and Guarantor

Element	Description of Element	Disclosure requirement
B.1	Legal and Commercial Name of the Issuer(s)	<p>Mediobanca</p> <p>Mediobanca – Banca di Credito Finanziario S.p.A. ("Mediobanca")</p> <p>[Mediobanca International</p> <p>Mediobanca International (Luxembourg) S.A. ("Mediobanca International")]</p>

B.2	Domicile /Legal Form /Legislation /Country of Incorporation	<p>Mediobanca</p> <p>Mediobanca was established in Italy.</p> <p>Mediobanca is a company limited by shares under Italian law with its registered office at Piazzetta E. Cuccia 1, Milan, Italy.</p> <p>Mediobanca holds a banking licence from the Bank of Italy authorising it to carry on all permitted types of banking activities in Italy.</p> <p>Mediobanca is a bank organised and existing under the laws of Italy, carrying out a wide range of banking, financial and related activities throughout Italy.</p> <p>[Mediobanca International]</p> <p>Mediobanca International was established in Luxembourg.</p> <p>Mediobanca International is a public limited liability company (<i>société anonyme</i>) organised under the laws of Luxembourg, having its registered office is at 4, Boulevard Joseph II, L-1840 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B112.855.]</p>
B.4b	Description of trends	<p>Mediobanca</p> <p>[Not applicable. As at the date of the Base Prospectus, Mediobanca is not aware of any trends affecting it and the industries in which it operates.]</p> <p>[Mediobanca International]</p> <p>[Not applicable. As at the date of the Base Prospectus, Mediobanca International is not aware of any trends affecting it and the industries in which it operates.]</p>
B.5	Description of the group of the Issuer(s)	<p>Mediobanca</p> <p>Mediobanca is the parent company of the Mediobanca Group.</p> <p>The Mediobanca Group is registered as a banking group registered in the register instituted by the Bank of Italy.</p> <p>[Mediobanca International]</p> <p>Mediobanca International is part of the Mediobanca Group.</p> <p>The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.]</p>
B.9	Profit forecast/estimate	<p>Mediobanca</p> <p>[Not applicable. No forecast or estimates of profits are contained in the Base Prospectus.]</p> <p>[Mediobanca International]</p> <p>[Not applicable. No forecast or estimates of profits are contained in the Base Prospectus.]]</p>
B.10	Qualifications in the audit	<p>Mediobanca</p>

	report	Not applicable. There are no qualifications in the audit report. [Mediobanca International Not applicable. There are no qualifications in the audit report.]																																																																				
B.12¹	Selected historical key information / no material adverse change / significant changes	<p>Mediobanca</p> <p>Selected annual financial information. The following tables show certain selected audited financial information of Mediobanca as at 30 June 2017, along with comparative data for the year ended 30 June 2016, plus a series of key financial indicators.</p> <p>Regulatory capital and solvency margins</p> <table border="1"> <thead> <tr> <th>Indicators and own funds (regulations in force since 1/1/14)</th> <th>30/6/17 (€m) or %</th> <th>30/6/16 (€m) or %</th> <th colspan="2">Minimum levels set by law**</th> </tr> </thead> <tbody> <tr> <td>Common Equity Tier 1 – CET1</td> <td>7,017.3</td> <td>6,504.8</td> <td></td> <td></td> </tr> <tr> <td>Additional Tier 1 – AT1</td> <td>-</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Tier 2 – T2</td> <td>1,861.7</td> <td>1,722.4</td> <td></td> <td></td> </tr> <tr> <td>Own funds</td> <td>8,879</td> <td>8,227.2</td> <td></td> <td></td> </tr> <tr> <td>RWAs*</td> <td>52,708.2</td> <td>53,861.5</td> <td></td> <td></td> </tr> <tr> <td>Common Equity Tier 1 ratio – CET1 ratio</td> <td>13.31%</td> <td>12.08%</td> <td></td> <td>7%</td> </tr> <tr> <td>Tier 1 ratio – T1 ratio</td> <td>13.31%</td> <td>12.08%</td> <td></td> <td>8%</td> </tr> <tr> <td>Total capital ratio</td> <td>16.85%</td> <td>15.27%</td> <td></td> <td>10.5%</td> </tr> <tr> <td>Risk – weighted assets/Total assets</td> <td>74.8%</td> <td>77.1%</td> <td></td> <td></td> </tr> <tr> <td>Leverage ratio*** (temporary)</td> <td>9.5%</td> <td>9.5%</td> <td></td> <td></td> </tr> </tbody> </table> <p>*Risk –weighted assets (RWAs) have been calculated using the standardised methodology for credit and market risks and the base methodology for operational risks.</p> <p>** Limits include the capital conservation buffer (2.5%) for the minimum levels set by the regulations.</p> <p>***The leverage ratio is the Group’s regulatory and tier 1 capital expressed as a percentage of its total exposure (i.e. the sum of its assets and off-balance-sheet exposures). This indicator was introduced by the Basel Committee to keep down debt and contain excessive use of financial leverage in the banking sector.</p> <table border="1"> <thead> <tr> <th>CREDIT RISK INDICATORS*</th> <th>30/6/16 (%)</th> <th>Banking system data as at 30/06/16 (%)**</th> <th>30/6/17 (%)</th> <th>Banking system data as at 31/12/16 (%)**</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Indicators and own funds (regulations in force since 1/1/14)	30/6/17 (€m) or %	30/6/16 (€m) or %	Minimum levels set by law**		Common Equity Tier 1 – CET1	7,017.3	6,504.8			Additional Tier 1 – AT1	-				Tier 2 – T2	1,861.7	1,722.4			Own funds	8,879	8,227.2			RWAs*	52,708.2	53,861.5			Common Equity Tier 1 ratio – CET1 ratio	13.31%	12.08%		7%	Tier 1 ratio – T1 ratio	13.31%	12.08%		8%	Total capital ratio	16.85%	15.27%		10.5%	Risk – weighted assets/Total assets	74.8%	77.1%			Leverage ratio*** (temporary)	9.5%	9.5%			CREDIT RISK INDICATORS*	30/6/16 (%)	Banking system data as at 30/06/16 (%)**	30/6/17 (%)	Banking system data as at 31/12/16 (%)**					
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¹ By virtue of the Supplement dated 31 October 2017, "Selected historical key information/material adverse change/significant changes" has been updated and integrated with the annual financial information as at 30 June 2017 of both Mediobanca and Mediobanca International.

Gross bad loans/gross loans	1.7%	10.8%	1.66%	10.9%
Net bad loans/net loans	0.7%	4.9%	0.76%	4.4%***
Gross irregular items/gross loans	5.9%	17.9%	5.55%	17.6%
Net irregular items/loans	2.9%	10.5%	2.82%	9.4%***
NPL (<i>non-performing loans</i>) coverage ratio	66.6%	58.8%	70.24%	63.1%
Irregular items coverage ratio	54.3%	46.6%	51.28%	51.7%
Net bad loans/net equity	3.1%	-	-3.49%	4.4%
Cost of risk****	1.24%	-	0.87%	-
<p>* Data taken from information shown in part B and part E of the notes to the accounts and refer to the entire prudential consolidation area.</p> <p>** Data taken from reports of financial stability no.1 April 2017, table 2.1, p.21, and no. 2 of November 2016, table 4.4, page 35 and refer to figures for significant banks.</p> <p>*** Data taken from annex to Bank of Italy annual reports for 2015 and 2016 and refer to figures for the total system as at 31 December 2015 and 31 December 2016, respectively</p> <p>****The cost of risk is obtained from the ratio between total net loan loss provisions for the period and average net customer loans.</p>				
COMPOSITION OF THE IMPAIRED LOANS	30/6/16	30/6/17		
	€m	€m		
Bad loans	255.03	291.60		
Sub-standard	710.65	727.69		
Overdue impaired	51.03	56.03		
TOTAL NPLs (<i>non-performing loans</i>)	1,016.70	1,075.32		
MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/17	30/6/16	CHANGES 2017/2016	
	€m	€m	%	
Assets				
Due from banks	7,959.9	5,386.6	47%	
Due from clients	38,763.1	37,881.5	2.3%	
Financial assets*	17,089.1	21,053.5	-0.18%	

		Total Assets	70,445.56	69,818.6	0.9%
		Liabilities			
		Debt securities in issue	20,108.7	21,813.1	-7.8%
		Financial liabilities**	18,951.3	19,421.70	-2.4%
		Direct funding (from customers)***	20,366	18,164.50	12.1%
		Net interbank position****	4,729.6	6,553.70	-27.8%
		Net equity	8,441.46	8,317.30	1.5%
		of which: share capital	440.6	435.5	1.1%
		* Includes financial assets held for trading, AFS securities, financial assets held to maturity and the hedge derivatives.			
		** Includes amounts due to banks, trading liabilities and the hedge derivatives.			
		*** Includes amounts due to clients, and financial liabilities recognised at fair value.			
		**** Net balance between amounts due to banks and amounts due from banks.			
					CHANGES
		MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/17	30/6/16	2017/2016
					%
			€m	€m	
		Net interest income*	1,287.8	1,206.7	6.7%
		Net fee and commission income	377.9	322.7	17.1%
		Total income*	2,195.6	2,046.6	-1.7%
		Net profit from financial and insurance operations	1,687.4	1,360.8	24.0%
		Operating costs	-1,035	-901.2	14.9%
		Profit before Tax	914	736.3	24.1%
		Net Profit	750.2	604.5	24.1%
		*Restated data (cfr. Pag. 24 of the consolidated financial statements as at 30 June 2016). Total income not restated comes to a total of 1,776,951 as at 30 June 2016 and to 1,776,681 as at 30 June 2015 (cfr. Pag 68 of the consolidated financial statements as at 30 June 2016).			
		[Mediobanca International			
		Selected annual financial information. The following tables show certain selected audited financial information of Mediobanca International as at 30 June 2017, along with comparative data for the year ended 30 June 2016, plus a series of key financial indicators.]			
					CHANGES
		MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/17	30/6/16	2017/2016
					%

	€m	€m	
Assets			
Loan and advances to credit institutions	1,290.1	1,801.7	-28.4%
Loan and advances to customers	3,299.9	3,404.3	-3.1%
Financial assets*	582.7	1,061.3	-45.1%
Total Assets	5,191.7	6,281.9	-17.4%
Liabilities			
Debt securities in issue	1,317.4	2,200.4	-40.1%
Amounts due to credit institutions	2,248.9	1,928.2	16.6%
Amounts due to customers	962.5	1,725.0	-24.5%
Financial liabilities**	319.2	559.6	-43.0%
Net equity	307.8	288.7	6.6%
of which: share capital	10.0	10.0	0.0%
Profit/Loss of the period	20.8	19.0	9.4%
Total liabilities	5,191.7	6,281.9	-17.4%
* Includes financial assets held for trading, financial assets held to maturity and the hedge derivatives.			
** Includes Trading liabilities and the Hedging derivatives.			
MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/1	30/6/16	CHANGES 2017/2016
	€m	€m	%
Net interest income	38.6	30.3	27.2%
Net fee and commission income	1.0	0.8	21.4%
Total income	36.2	33.7	7.4%
Net profit from financial and insurance operations	37.0	34.7	6.6%
Operating costs	-8.5	-7.7	10.7%
Profit before Tax	28.5	26.9	5.9%

		Net Profit	20.8	19.0	9.4%
		CASH FLOW FROM OPERATING ACTIVITIES	Year ended 30 June		
			2017	2016	
			<i>(Euro thousands)</i>		
		Operating activities	81,740	11,214	
		Cash generated/(absorbed) by financial assets	580,864	-1,117,162	
		Cash (generated)/absorbed by financial liabilities	-663,951	919,212	
		Net cash flow (outflow) from operating activities	-1,347	-186,736	
		CASH FLOW FROM INVESTMENT ACTIVITIES			
		Net cash flow (outflow) from investment activities	-	194,989	
		FUNDING ACTIVITIES			
		Net cash flow (outflow) from funding activities	-	-	
		NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD	-1,347	8,253	
		Mediobanca			
		<i>Material adverse change</i>			
		Since 30 June 2016 with respect to Mediobanca there has been no material adverse change in the prospects of either Mediobanca or the Group headed up by it.			
		<i>Significant changes</i>			
		Not applicable. There has been no significant changes in the financial or trading position of Mediobanca or the other companies forming part of the Group since the most recent financial information available, which was disclosed in the consolidated interim financial statements for the six month ended 31 December 2016.			
		[Mediobanca International			

		<p><i>Material adverse change</i></p> <p>Since 30 June 2016 with respect to Mediobanca International there has been no material adverse change in the prospects of Mediobanca International.</p> <p><i>Significant changes</i></p> <p>Not applicable. There has been no significant change in the financial or trading position of Mediobanca International since the most recent financial information available, which was disclosed in the non-consolidated interim financial statements for the six month period ended 31 December 2016.]</p>
B.13	Recent events	<p>Mediobanca</p> <p>[Not applicable. Neither Mediobanca nor any company in the Mediobanca Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect Mediobanca’s ability to meet its obligations under the Securities.]</p> <p>[Mediobanca International]</p> <p>[Not applicable. Mediobanca International has not carried out transactions that have materially affected or that might be reasonably expected to materially affect Mediobanca International’s ability to meet its obligations under the Securities.]</p>
B.14	Issuer dependent upon other entities within the group	<p>Mediobanca</p> <p>Not applicable. Mediobanca is the parent company of the Mediobanca Group and is not dependent upon other entities within the Mediobanca Group.</p> <p>See also item B.5 above.</p> <p>[Mediobanca International]</p> <p>Mediobanca International is part of the Mediobanca Group and is a wholly owned subsidiary of the Mediobanca Group, operating autonomously within the Mediobanca Group and subject to coordination and support of Mediobanca.</p> <p>See also item B.5 above.]</p>
B.15	Principal activities	<p>Mediobanca</p> <p>As stated in Article 3 of its Articles of Association, Mediobanca’s corporate purpose is to raise funds and provide credit in any of the forms permitted by applicable law, particularly medium- and long-term credit to corporates.</p> <p>Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca’s corporate purpose.</p> <p>[Mediobanca International]</p> <p>As stated in Article 3 of its Articles of Association related to its corporate purpose, Mediobanca International may carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector.</p>

		Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium-term note programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.]
B.16	Control of Issuer	<p>Mediobanca</p> <p>Not applicable. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Legislative Decree No. 58 of 24th February, 1998 as amended from time to time (the "Italian Financial Services Act").</p> <p>[Mediobanca International</p> <p>Mediobanca International is 99% owned by Mediobanca.]</p>
B.18	Guarantee	<p>Under the Deed of Guarantee, and in accordance with its terms and subject to the limitations thereof, Mediobanca (the "Guarantor") unconditionally and irrevocably guarantees payment of all amounts due and the performance of any non-cash delivery obligations in respect of Securities issued by Mediobanca International.</p> <p>The payment obligations of the Guarantor under the Deed of Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor which will rank at all times at least <i>pari passu</i> without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for certain mandatory exceptions of applicable law. In particular, pursuant to the Deed of Guarantee, to the extent under the applicable law, a cap to the maximum amount to be guaranteed is required, the Guarantor shall only be liable up to an amount which is the aggregate of 110 per cent. of the aggregate principal amount of any Tranche of the Securities (in each case as specified in the applicable Final Terms) and 110 per cent. of the interest on such Securities accrued but not paid as at any date on which the Guarantor's liability falls to be determined. In addition, pursuant to the Deed of Guarantee, the Guarantor has also undertaken to issue an additional guarantee in an amount equal to any liability exceeding the maximum amount mentioned above in relation to any Tranche.</p>
B.19	Information on the Guarantor	[Information with respect to Mediobanca is included in this section B above].

Section C – Securities

Element	Description of Element	Disclosure requirement
C.1	Type, class and security identification number of securities being offered	<p>The Securities are [Certificates] [Warrants].</p> <p>[The Securities are [Index Securities] [Share Securities] [Currency Securities] [Debt Securities] [Commodity Securities] [Fund Securities] [Credit Securities].]</p> <p>[The Securities are [European Style Warrants] [American Style Warrants].</p> <p>The Securities will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations other than unsubordinated obligations, if any, of the relevant Issuer from time to time outstanding.</p>

		The Securities have [ISIN [] [and Common Code []] [].
C.2	Currency	<p>[Subject to compliance with all relevant laws, regulations and directives, the Securities are issued in [].] [The Certificates are Dual Currency Certificates and [upon the occurrence of the Dual Currency Condition] provide for a Settlement Currency that is different from the currency in which the Issue Price was denominated ("Issue Currency")].</p> <p>The Settlement Currency is [•].</p> <p>The Issue Currency is [•].]</p>
C.5	Restrictions on free transferability	There are restrictions on sales of the Securities into, amongst other jurisdictions, the United States, the European Economic Area (including the United Kingdom and Italy) and Japan.
C.8	Description of rights and ranking	<p>The Securities have terms and conditions relating to, among other matters:</p> <p>Status</p> <p>The Securities are issued by the relevant Issuer on an unsubordinated basis.</p> <p>The Securities will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations other than unsubordinated obligations, if any, of the relevant Issuer from time to time outstanding. See Condition 2(a) (<i>Status of Securities</i>) of the Terms and Conditions.</p> <p>Payments in respect of Securities in global form</p> <p>All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be <i>prima facie</i> evidence that such payment has been made in respect of the Securities.</p> <p>Payments in respect of Securities in definitive form</p> <p>Payments of principal and interest in respect of the Securities in definitive form shall be made against presentation and surrender of the relevant Securities at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with a bank in the principal financial centre of that currency; provided that in the case of Euro, the transfer may be to a Euro account.</p> <p>Payments in respect of Securities in book-entry form</p> <p>Payments of principal and interest in respect of Securities in book-entry form shall be made through an electronic book-entry system managed by Monte Titoli S.p.A. or any other centralised custodian appointed by the relevant Issuer.</p> <p>Illegality and force majeure</p>

		<p>If the relevant Issuer determines that the performance of its obligations under the Securities or that any arrangements made to hedge the relevant Issuer's obligations under the Securities have become (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable the relevant Issuer may cancel the Securities by giving notice to Securityholders in accordance with Condition 8 (<i>Notices</i>).</p> <p>Further issues and consolidation</p> <p>The Issuer may from time to time without the consent of the Securityholders create and issue further securities having the same terms and conditions as the Securities in all respects (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) and so that the same shall be consolidated and form a single series with such Securities.</p> <p>Substitution</p> <p>Subject to the fulfilment of certain conditions, the relevant Issuer and, in case of Securities issued by Mediobanca International, the Guarantor may at any time (subject to certain conditions as provided in the Terms and Conditions) without the consent of the holders of Securityholders, substitute Mediobanca in place of Mediobanca International or Mediobanca International in place of Mediobanca.</p>
C.11	Trading of securities	<p>The Central Bank of Ireland has approved this document as a base prospectus. Application has also been made for Securities issued under the Programme to be admitted to trading on the regulated market of the Irish Stock Exchange.</p> <p>Securities may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets as may be agreed between the relevant Issuer, the Guarantor (where applicable) and the relevant Dealer in relation to the relevant Series. Securities which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The Final Terms will state whether or not the relevant Securities are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
C.15²	How the value of the investment is affected by the value of the underlying instrument(s)	<p>General</p> <p><i>[Insert if the Securities are Certificates:</i></p> <p><i>[Insert if the Securities are Certificates and Normal Performance is applicable:</i></p> <p>The Securities enable investors to participate in [a percentage of] the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [subject to a [cap] [floor].]</p> <p><i>[Insert if the Securities are Certificates and Zero Coupon Extra Yield is applicable:</i></p> <p>The Securities enable investors to participate in the value of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] if the Final Reference Level is [lower] [equal to or greater] than the Strike Level.]</p>

² By virtue of the Supplement dated 31 October 2017, the paragraph "Autocallable Certificates" on page 30 of the Base Prospectus has been deleted in its entirety and replaced.

	<p><i>[Insert if the Securities are Certificates and Performance Differential is applicable:</i></p> <p>The Securities enable investors to participate in the difference between the performance of Reference Item 1 and Reference Item 2 from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]</p> <p><i>[Insert if the Securities are Certificates and Digital Certificates is applicable:</i></p> <p>The Securities enable investors to participate in [a percentage of] the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [, and subject to a [cap] [floor],]if the Final Reference Level is [equal to or greater] [lower] than the Digital Level [●] on the Valuation Date [●].]</p> <p><i>[Insert if the Securities are Certificates and Reverse Digital Certificates is applicable:</i></p> <p>The Securities enable investors to participate in [a percentage of] the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [, and subject to a [cap] [floor],]if the Final Reference Level is [equal to or greater] [lower] than the Digital Level [●] on the Valuation Date [●].]</p> <p><i>[Insert if the Securities are Certificates and Twin Win Certificates is applicable:</i></p> <p>The Securities enable investors to participate in the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] as follows:</p> <p>a) If the Final Reference Level is equal to or greater than the Initial Reference Level [●] on the Valuation Date [●], then the investor will receive on the Settlement Date the principal amount invested plus an amount equal to the performance of the Reference Item multiplied by the Up Participation Factor [but subject to the Twin Win Cap]. Such formula will be applicable, regardless of whether or not the Twin Win Stop (European) has occurred.</p> <p>b) If the Final Reference Level is lower than the Initial Reference Level [●] on the Valuation Date [●] and the Twin Win Stop (European) and the Twin Win Stop (American) have not occurred, then the investor will receive on the Settlement Date the principal amount invested plus an amount equal to the performance of the Reference Item multiplied by the Down Participation Factor [but subject to the Twin Win Cap].</p> <p>c) If the Twin Win Stop (European) or the Twin Win Stop (American) has occurred on the Valuation Date, the investor will participate in the performance of the Reference Item.</p> <p><i>[Insert if the Securities are Certificates and Short Benchmark Certificates is applicable:</i></p> <p>The value of the Securities is inversely proportional to the performance of the Reference Item and, as a consequence, the investor will receive on the Settlement Date a positive amount only in the event of negative (decreasing) performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]</p> <p><i>[Insert if the Securities are Certificates and Benchmark Certificates is</i></p>
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	<p><i>applicable:</i></p> <p>The Securities enable investors to participate in the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].</p> <p><i>[Insert if the Securities are Certificates and Outperformance Certificates is applicable:</i></p> <p>a) If the Final Reference Level is greater than or equal to the Initial Reference Level [●] on the Valuation Date [●], the Securities enable investors to receive an amount linked to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] and multiplied by the Participation [and subject to a Cap] .</p> <p>b) If the Final Reference Level is lower than the Initial Reference Level [●] on the Valuation Date [●], the investors will receive an amount linked to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]</p> <p><i>[Insert if the Securities are Certificates and Bonus Certificates is applicable:</i></p> <p>a) If the Final Reference Level is greater than or equal to the Initial Reference Level [●] on the Valuation Date [●] and the Bonus Stop (American) and the Bonus Stop (European) have not occurred, the investors will receive an amount equal to the greater between the Initial Reference Level [●] multiplied by the Bonus Factor [●] and the Final Reference Level[, provided that such amount will not be greater than the Bonus Cap [●] multiplied by the Initial Reference Level].</p> <p>b) If the Final Reference Level is lower than the Initial Reference Level [●] but greater than, or equal to, the Relevant Level and the Bonus Stop (American) and the Bonus Stop (European) have not occurred, the investors will receive an amount equal to the principal amount invested.</p> <p>c) If the Bonus Stop (American) or the Bonus Stop (European) has occurred the investors will participate to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]</p> <p><i>[Insert if the Securities are Certificates and Airbag Certificates is applicable:</i></p> <p>a) If the Final Reference Level is greater than or equal to the Initial Reference Level [●] on the Valuation Date [●], and regardless of whether or not an Airbag Event has occurred, the Securities enable investors to participate in a percentage to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] [, provided that such amount will not be greater than the Airbag Cap [●]].</p> <p>b) If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date [●] but equal to or greater than the Airbag Level, the investors will receive an amount equal to the principal amount invested.</p> <p>c) If the Final Reference Level is lower than the Airbag Level on the Valuation Date [●], the investors will receive an amount equal to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] multiplied by the Airbag Factor [●].]</p> <p><i>[Insert if the Securities are Certificates and Memory Autocallable Certificates is</i></p>
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	<p><i>applicable:</i></p> <p>The investors are exposed to the risk that the Securities are automatically early redeemed on a Remuneration Payment Date if on such date the Final Reference Level is equal to or greater than the Strike Level and in such case the investors will receive an amount equal to the principal amount invested plus a Remuneration Percentage.</p> <p>If the Securities are not automatically early redeemed then:</p> <p>a) If the Final Reference Level is equal to or greater than the Initial Reference Level on the Valuation Date [●], investors will receive an amount equal to the principal amount invested plus a Remuneration Percentage.</p> <p>b) If the Final Reference Level is lower than the Initial Reference Level but equal to or greater than the Autocallable Barrier [●] on the Valuation Date [●], the Securities enable investors to receive the principal amount invested.</p> <p>c) If the Final Reference Level is lower than the Autocallable Barrier [●] on the Valuation Date [●], the investors will participate in a certain percentage to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]</p> <p><i>[Insert if the Securities are Certificates and Autocallable Certificates is applicable:</i></p> <p>The investors are exposed to the risk that the Securities are automatically early redeemed if the Final Reference Level is [equal to or greater than] [equal to or lower than] the Strike Level on a Barrier Exercise Date; in such case the investors are entitled to receive the principal amount invested plus any Remuneration Percentage accrued up to such date.</p> <p>If the Securities are not automatically early redeemed as described above then:</p> <p>a) If the Final Reference Level is [equal to or greater than] [equal to or lower than] the Barrier Level [●] on the Valuation Date [●], the investors will receive the principal amount invested plus any Remuneration Percentage accrued up to such date.</p> <p>b) If the Final Reference Level is [lower] [greater] than the Barrier Level [●] on the Valuation Date [●], the Securities enable the investors to participate in a certain percentage to the performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date].]</p> <p><i>[Insert if the Securities are Certificates and Bonus Autocallable Certificates is applicable:</i></p> <p>The investors are exposed to the risk that the Securities are automatically early redeemed if the Final Reference Level is equal to or greater than the Strike Level on a Barrier Exercise Date; in such cases, the investor is entitled to receive the principal amount invested plus any Remuneration Amount accrued up to such date.</p> <p>If the Securities are not automatically early redeemed as described above, then investors are entitled to receive Remuneration Amounts as follows:</p> <p>a) If the Final Reference Level is lower than the Strike Level [●] but equal to</p>
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	<p>or greater than the Barrier Level on the Barrier Exercise Date [●], the Securities enable investors to receive the principal amount invested plus any Remuneration Amount accrued up to such date on the Remuneration Payment Date immediately following the Barrier Exercise Date on which the automatic redemption has not occurred.</p> <p>b) If the Final Reference Level is lower than the Barrier Level on the Barrier Exercise Date [●], investors will receive no Remuneration Amount in relation to such period.</p> <p>In addition to any Remuneration Amount payable as described above, and provided that the Securities are not automatically redeemed, the amount of Cash Settlement Amount payable to the investors will depend on the following:</p> <p>a) If the Final Reference Level is equal to or greater than the Strike Level on the Valuation Date [●], the Securities enable investors to receive [an amount linked to a certain percentage of the performance of the Reference Item subject to a cap] [the principal amount invested plus any Remuneration Amount accrued up to such date].</p> <p>b) If the Final Reference Level is lower than the Strike Level but equal to or greater than the Barrier Level on the Valuation Date [●], the investor is entitled to receive the principal amount invested plus any Remuneration Amount accrued up to such date.</p> <p>c) If the Final Reference Level is lower than the Barrier Level on the Valuation Date [●], the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item.</p> <p><i>[Insert if the Securities are Certificates and Leveraged Certificates is applicable:</i></p> <p>The Securities enable investors to participate in the performance of [the Fund []] [a Basket comprising the Funds []] with a leveraged effect.]</p> <p><i>[Insert if the Securities are Certificates and Standard Long Autocallable Barrier Protected Certificates is applicable:</i></p> <p>The investors are exposed to the risk that the Securities are automatically early redeemed if the Relevant Level is equal to or greater than the Early Redemption Level in the Early Redemption Valuation Period; in such cases, the investor is entitled to receive the Early Redemption Standard Long Amount [which will be at least equal to the principal amount invested.]</p> <p>If the Securities are not automatically early redeemed as described above, then investors are entitled to receive the Cash Settlement Amounts as follows:</p> <p>a) If the Final Reference Level is greater than or equal to the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item.</p> <p>b) If the Final Reference Level is lower than the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item subject to a floor.</p> <p><i>[Insert if the Securities are Certificates and Standard Long Barrier Protected Certificates is applicable:</i></p>
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	<p>a) If the Final Reference Level is greater than or equal to the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item.</p> <p>b) If the Final Reference Level is lower than the Barrier Level, the Securities enable investors to receive an amount linked to a certain percentage of the performance of the Reference Item subject to a floor.</p> <p><i>[Insert if the Securities are Certificates and Wedding Cake Certificates is applicable:</i></p> <p>The Securities enable investors to receive [a fixed remuneration depending on a certain performance of the Reference Item and] a Cash Settlement Amount depending [also] on the performance of the Reference Item, [in both cases] according to predetermined range[s].]</p> <p style="text-align: center;">*****</p> <p>Each Security entitles its holder to receive from the relevant Issuer on the Settlement Date the [Cash Settlement Amount, less any Expenses not already paid] [Entitlement, following payment of any sums payable and Expenses]. [The amount of the Cash Settlement Amount will depend on [] [the [relative] [level] [value] of the [Reference Item] [Reference Item 1 and Reference Item 2] [on the Valuation Date] [over the Averaging Dates]].] [The value of the Entitlement will depend on its market value at the time of delivery.]</p> <p><i>[Insert if the Securities are Call Warrants:</i></p> <p>[The Securities enable investors to participate (with leverage) in the positive performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date]. Conversely, investors also participate (with leverage) in the negative performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] and additionally bear the risk that the Security will expire without value if the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates] is equal to or less than the Strike Price.</p> <p>Each Security entitles its holder to receive from the relevant Issuer on the Settlement Date the [Cash Settlement Amount (if the Final Reference Level exceeds the Strike Price), less any Expenses not already paid] [Entitlement (subject to payment of the Exercise Price), following payment of any sums payable and Expenses]. If the Final Reference Level is equal to or less than the Strike Price, the Security will expire and the holder will not receive any [Cash Settlement Amount] [Entitlement]. [The [amount of the Cash Settlement Amount] will depend on the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates].] [The value of the Entitlement will depend on its market value at the time of delivery.]</p> <p><i>[Insert if the Securities are Put Warrants:</i></p> <p>[The Securities enables investors to participate (with leverage) in the negative performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date]. Conversely, investors also participate (with leverage) in the positive performance of the Reference Item from the [Issue Date] [●] until the [Valuation Date] [final Averaging Date] and additionally bear the risk that the Security will expire without value if the [level] [value] of the Reference</p>
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		<p>Item [on the Valuation Date] [over the Averaging Dates] is equal to or greater than the Strike Price.</p> <p>Each Security entitles its holder to receive from the relevant Issuer on the Settlement Date the [Cash Settlement Amount (if the Strike Price exceeds the Final Reference Level), less any Expenses not already paid] [Entitlement (subject to payment of the Exercise Price), following payment of any sums payable and Expenses]. If the Final Reference Level is equal to or greater than the Strike Price, the Security will expire and the holder will not receive any [Cash Settlement Amount] [Entitlement]. [The [amount of the Cash Settlement Amount] will depend on the [level] [value] of the Reference Item [on the Valuation Date] [over the Averaging Dates].] [The value of the Entitlement will depend on its market value at the time of delivery.]</p> <p><i>[Insert if the Certificates are Single Name Credit Linked Certificates:</i></p> <p>The Certificates enable investors to receive an enhanced rate of remuneration as a result of their exposure to the Reference Entity (as defined in Element C.20 below). However, if a Credit Event occurs with respect to the Reference Entity, the Certificates will be redeemed in full prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in [specify currency]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to [specify any fixed or pre-determined amount]] [value of the Deliverable Obligations deliverable on settlement will [be [specify] [depend on various factors including the market value of obligations of the Reference Entity at the time of delivery]].</p> <p>If no Credit Event occurs, Certificateholders will receive a Final Cash Settlement Amount of [] on the Exercise Date.]</p> <p><i>[Insert if the Certificates are First-to-Default Credit Linked Certificates or Nth-to-default Credit Linked Certificates:</i></p> <p>The Certificates enable investors to receive an enhanced rate of interest as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, if a Credit Event occurs with respect to [any] of [the [first][second][third] []] Reference Entity, the Certificates will be redeemed in full prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in [specify currency]][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to [specify any fixed or pre-determined amount]] [value of the Deliverable Obligations deliverable on settlement will [be [specify]] [depend on various factors including the market value of obligations of the Reference Entity at the time of delivery]].</p> <p>If no Credit Event occurs, Certificateholders will receive a Final Cash Settlement Amount of [] on the Exercise Date.]</p> <p><i>[Insert if the Certificates are Linear Basket Credit Linked Certificates:</i></p> <p>The Certificates enable investors to receive an enhanced rate of remuneration as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, if a Credit Event occurs with respect to a Reference Entity, the</p>
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		<p>Certificates will be redeemed in part prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in <i>[specify currency]</i>][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to <i>[specify any fixed or pre-determined amount]</i>] [value of the Deliverable Obligations deliverable on settlement will [be <i>[specify]</i>] [depend on various factors including the market value of obligations of the Reference Entity at the time of delivery]].</p> <p>If no Credit Event occurs, Certificateholders will receive a Final Redemption Amount of [] on the Exercise Date.]</p> <p><i>[Insert if the Certificates are Nth-to-Default Linear Basket Credit Linked Certificates:</i></p> <p>The Certificates enable investors to receive an enhanced rate of remuneration as a result of their exposure to the Reference Entities (as defined in Element C.20 below). However, upon the occurrence of a Credit Event and a Credit Event Determination Date with respect to the Nth Reference Entity, the Certificates will not be redeemed (neither in whole nor in part) prior to their Exercise Date but if a Credit Event occurs with respect to the Remaining Reference Entity(ies), the Certificates will be redeemed in part prior to their Exercise Date and in settlement thereof Certificateholders will receive [an amount in <i>[specify currency]</i>][,][an amount of Deliverable Obligations (as defined in Element C.20 below)] [or a combination thereof]. The [amount payable on settlement will depend on the value of the Reference Obligation(s) at the point of determination [and will be equal to <i>[specify any fixed or pre-determined amount]</i>] [value of the Deliverable Obligations deliverable on settlement will [be <i>[specify]</i>] [depend on various factors including the market value of obligations of the Remaining Reference Entity at the time of delivery]].</p> <p>If no Credit Event occurs, Certificateholders will receive a Final Redemption Amount of [] on the Exercise Date.]</p>
<p>C.16</p>	<p>Expiration or maturity date – exercise date or final reference date</p>	<p>[Exercise Date]</p> <p>[The Exercise Date of the Securities is [●] [, provided that such date may be extended in certain circumstances in the event that a Credit Event may have occurred on or prior to such date].] [The Securities are European Style Warrants.]</p> <p>[Exercise Period]</p> <p>The Exercise Period for the Securities is [●] to [●]. [The Securities are American Style Warrants.]</p> <p><i>[Insert if Averaging does not apply to the Securities:</i></p> <p>Valuation Date</p> <p>The Valuation Date of the Securities is [●], subject to certain adjustment provisions which will apply if [●] is not a scheduled trading day on which [(i) the Index Sponsor fails to publish the level of the Index,] [(ii)] [(i)] any relevant stock exchange fails to open for trading during its regular trading session or [(iii)] [(ii)] certain market disruption events have occurred.]</p>

		<p><i>[Insert if Averaging applies to the Securities:</i></p> <p>Averaging Date(s)</p> <p>The Averaging Dates of the Securities are [●], subject to certain adjustment provisions which will apply if [●] is not a scheduled trading day on which [(i) the Index Sponsor fails to publish the level of the Index,] [(ii)] [(i)] any relevant stock exchange fails to open for trading during its regular trading session or [(iii)] [(ii)] certain market disruption events have occurred.</p> <p>Settlement Date</p> <p><i>[Insert if the Securities are Cash Settled:</i></p> <p>The Settlement Date of the Securities is [the []th business day following the [Valuation Date] [last] [Averaging Date].</p> <p><i>[Insert if the Securities are Physically Settled Securities:</i></p> <p>The Settlement Date of the Securities is [●].</p> <p><i>[Insert if Barrier Event applies:</i></p> <p>Barrier Event</p> <p><i>[Insert if the Securities are Warrants:</i></p> <p>If a Barrier Event has occurred, each [Warrant] [Unit] entitles its holder to receive from the Issuer on [●] (the "Barrier Exercise Date[s]") the Barrier Cash Settlement Amount [, less any Expenses not already paid]. [Each [Warrant] [Unit] shall be automatically exercised on the Barrier Exercise Date falling on [●]].</p> <p><i>[Insert if the Securities are Certificates:</i></p> <p>If a Barrier Event has occurred, each Certificate entitles its holder to receive from the Issuer on [●] (the "Barrier Exercise Date[s]") the [Barrier Cash Settlement Amount] [Barrier Entitlement] [, less any Expenses not already paid]. [Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●]].]</p> <p>"Barrier Event" means that the Settlement Price [is equal to] [and/or] [exceeds] [falls below] the Barrier Level [] on [the Barrier Observation Date []] [at any time during the Barrier Observation Period []] [and the Barrier Level [] on [the Barrier Observation Date []] [at any time during the Barrier Observation Period [].]</p> <p><i>[Insert if the Securities are Certificates and Leveraged Certificates is applicable:</i></p> <p>If a Barrier Event has occurred, each Certificate entitles its holder to receive from the Issuer on [●] (the "Barrier Exercise Date[s]") the [Barrier Cash Settlement Amount] [Barrier Entitlement] [, less any Expenses not already paid]. [Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●]].]</p> <p>"Barrier Event" means that [the Reference Level [is equal to] [and/or] [exceeds] [falls below] the Barrier Level on a Barrier Observation Date.</p>
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		<p>"Reference Level" means</p> $\text{Reference Level}_0 * (1 + \text{Participation Factor} * \frac{\text{Fund Level}_2 - \text{Fund Level}_0}{\text{Fund Level}_0} - (\text{Participation Factor} - 1) * \text{Fees}_i)$ <p>[Insert if the Securities are Certificates and "Call Option" is applicable:</p> <p><i>[Insert if European Style is applicable:</i></p> <p><i>Call Option European Style</i></p> <p>The Issuer may, on giving prior notice (Call Option Exercise Notice) which notice must be received by the Securityholders no later than the last day of the Call Option Exercise Notice Period [●], exercise [all] [or] [some] of the Certificates on the Optional Exercise Date[s] (Call) and the Issuer shall pay the Optional Cash Settlement Amount (Call) [together with any remuneration accrued to such date in respect of each Certificate].]</p> <p><i>[Insert if American Style is applicable:</i></p> <p><i>Call Option American Style</i></p> <p>By giving prior notice to the Securityholders – which notice must be received by the Securityholders no later than the end of the Call Option Exercise Notice Period [●] - the Issuer may at any time during the Call Option Exercise Notice Period [●], exercise [all] [or] [some] of the Certificates and the Issuer shall pay the Optional Cash Settlement Amount (Call) [together with any remuneration accrued to such date in respect of each Certificate].]</p> <p><i>[Insert if Call Option Condition is applicable:</i></p> <p>Such option may be exercised by the Issuer only upon the occurrence of the following Call Option Condition[s]: []]</p> <p>[Insert if the Securities are Certificates and "Put Option" is applicable:</p> <p><i>[Insert if European Style is applicable:</i></p> <p><i>Put Option European Style</i></p> <p>The Issuer shall, at the option of the Securityholder, exercise such Certificate on the Optional Exercise Date[s] (Put) at its Optional Cash Settlement Amount (Put) [together with any remuneration accrued to such date in respect of each Certificate]. To exercise the Put Option, the Securityholder shall deposit such Certificate together with the Put Option Exercise Notice with any Paying Agent during the period from the first Business Day of the Put Option Exercise Notice Period [●] until 17:00 CET on the last Business Day of the Put Option Exercise Notice Period [●], in relation to each Optional Exercise Date (Put) [●].]</p> <p><i>[Insert if American Style is applicable:</i></p> <p><i>Put Option American Style</i></p> <p>The Issuer shall, at the option of the Securityholder, exercise such Certificate on the Optional Exercise Date[s] (Put) at its Optional Cash Settlement Amount (Put) [together with any remuneration accrued to such date in respect of each Certificate]. To exercise the Put Option which may be exercised at any time during</p>
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		<p>the Put Option Exercise Notice Period [●], the Securityholder shall deposit such Certificate together with the Put Option Exercise Notice with any Paying Agent. The Put Option Exercise Notice must be deposited no later than the end of the relevant Put Option Exercise Notice Period.]]</p> <p><i>Optional Cash Settlement Amount</i></p> <p>The Optional Cash Settlement Amount due in respect of each Certificate pursuant to the exercise of the [Call Option] [Put Option] shall be:</p> <p>[[●]] [including any remuneration accrued up to []]</p>
<p>C.17</p>	<p>A description of the settlement procedure of the derivative securities</p>	<p><i>[Insert if the Securities are Cash Settled Securities:</i></p> <p>[Subject as provided in Element C.18 below, the] [The] Issuer shall pay or cause to be paid the Cash Settlement Amount (if any) for each Security by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, for value on the Settlement Date, less any Expenses not already paid, such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg, as the case may be.</p> <p>The Issuer's obligations will be discharged by payment to, or to the order of, Euroclear or Clearstream, Luxembourg (as the case may be) of the amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular amount of the Securities must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each such payment.]</p> <p><i>[Insert if the Securities are Physically Settled Securities:</i></p> <p>[Subject as provided in Element C.18 below and] [Subject] to payment of any Expenses with regard to the relevant Securities, the relevant Issuer shall, on the Settlement Date, deliver, or procure the delivery of, the Entitlement for each Security pursuant to the details specified in a notice (the "Physical Delivery Confirmation Notice") provided by the relevant Securityholder.</p> <p>In the event that no valid Physical Delivery Confirmation Notice has been duly delivered at or prior to 10.00 a.m. (Brussels or Luxembourg time, as the case may be) on the Exercise Date in respect of a Security, the relevant Issuer in respect of such Security shall pay or cause to be paid the Assessed Value Payment Amount by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg as soon as reasonably practicable following the determination of the Assessed Value Payment Amount. Upon payment of the Assessed Value Payment Amount as aforesaid, the relevant Issuer's obligations in respect of such Certificate shall be discharged.</p> <p>The "Assessed Value Payment Amount" means an amount determined by the Calculation Agent to be the fair market value of the Relevant Assets comprised in the Entitlement in respect of the relevant Certificate, less any Expenses.</p> <p><i>[Insert if the Securities have an option to vary settlement:</i></p> <p>Upon a valid exercise of Securities in accordance with the Terms and Conditions, the relevant Issuer may, at its sole and unfettered discretion, in respect of each such Security, elect not to pay the relevant Securityholders the Cash Settlement Amount or not to deliver or procure delivery of the Entitlement to the relevant Securityholders, as the case may be, but, in lieu thereof to deliver or procure</p>

		<p>delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Securityholders, as the case may be. Notification of such election will be given to Securityholders no later than 10.00 a.m. (Luxembourg time) on the second Business Day following [the Exercise Date <i>(for Certificates)</i>] [the Actual Exercise Date <i>(for Warrants)</i>] in accordance with Condition 8 <i>(Notices)</i>.</p>
C.18 ³	Return on the derivative securities	<p><i>[Insert if the Securities (other than Credit Securities) are Cash Settled Securities:</i></p> <p>The return on the Securities takes place by the payment by the relevant Issuer on the Settlement Date of the Cash Settlement Amount, less any Expenses not already paid, to each Securityholder.</p> <p><i>[Insert if the Securities (other than Credit Securities) are Physically Settled Securities:</i></p> <p>The return on the Securities takes place by the delivery by the relevant Issuer on the Settlement Date of the Entitlement, subject to the payment of any Expenses, to each Securityholder.</p> <p>Exercise of Securities</p> <p><i>[Insert if the Securities are Certificates:</i></p> <p>Each Security shall be automatically exercised on the Exercise Date.]</p> <p><i>[Insert if the Securities are Italian Listed Certificates:</i></p> <p>In respect of a Security listed on the electronic "Securitized Derivatives Market" (the "SeDeX"), organised and managed by Borsa Italiana S.p.A. (the "Italian Stock Exchange"), prior to the relevant time, the Securityholder may renounce any automatic exercise of such Security by the delivery or sending by authenticated swift message (confirmed in writing) of a duly completed renouncement notice to the relevant clearing system, with a copy to the Fiscal Agent and the relevant Issuer, in compliance with the laws and regulation, including the regulations of the Italian Stock Exchange, applicable from time to time.]]</p> <p><i>[Insert if the Securities are Warrants:</i></p> <p><i>[Insert if the Securities are American Style Warrants:</i></p> <p>The Securities are exercisable on any Exercise Business Day during the Exercise Period by the delivery of an Exercise Notice.</p> <p>If Automatic Exercise is not specified as being applicable in the applicable Final Terms, any Security with respect to which no Exercise Notice has been delivered in at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the last Exercise Business Day of the Exercise Period (the "Expiration Date"), shall become void.</p> <p>If Automatic Exercise is specified as being applicable in the applicable Final</p>

³ By virtue of the Supplement dated 31 October 2017, (i) the paragraph "*Autocallable Certificates*" on page 46 of the Base Prospectus has been deleted in its entirety and replaced and (ii) a new paragraph has been added on page 63 of the Base Prospectus in respect of the Phoenix Remuneration features applicable to the Autocallable Certificates.

	<p>Terms, any Security (that is not a definitive Warrant) with respect to which no Exercise Notice has been delivered at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is in the determination of the Calculation Agent "In-The-Money" shall be automatically exercised on the Expiration Date.</p> <p><i>[Insert if the Securities are American Style Warrants and Italian Listed:</i></p> <p>In respect of a Security listed on the Italian Stock Exchange, prior to the relevant time, the Securityholder may renounce any automatic exercise of such Security by the delivery or sending by authenticated swift message (confirmed in writing) of a duly completed renouncement notice to the relevant clearing system, with a copy to the Fiscal Agent and the relevant Issuer, in compliance with the laws and regulation, including the regulations of the Italian Stock Exchange, applicable from time to time.]]</p> <p><i>[Insert if the Securities are European Style Warrants:</i></p> <p>The Securities are exercisable on the Exercise Date (or if such a day is not an Exercise Business Day, the immediately succeeding Exercise Business Day (the "Actual Exercise Date") by the delivery of an Exercise Notice.</p> <p>If Automatic Exercise is not specified as being applicable in the applicable Final Terms, any Security with respect to which no Exercise Notice has been delivered in at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Actual Exercise Date, shall become void.</p> <p>If Automatic Exercise is specified as being applicable in the applicable Final Terms, any Security (that is not a definitive Warrant) with respect to which no Exercise Notice has been delivered at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is in the determination of the Calculation Agent "In-The-Money" shall be automatically exercised on the Actual Exercise Date.</p> <p><i>[Insert if the Securities are European Style Warrants and Italian Listed:</i></p> <p>In respect of a Security listed on the Italian Stock Exchange, prior to the relevant time, the Securityholder may renounce any automatic exercise of such Security by the delivery or sending by authenticated swift message (confirmed in writing) of a duly completed renouncement notice to the relevant clearing system, with a copy to the Fiscal Agent and the relevant Issuer, in compliance with the laws and regulation, including the regulations of the Italian Stock Exchange, applicable from time to time.]]</p> <p><i>[Insert if the Securities (other than Credit Securities) are Cash Settled Securities:</i></p> <p>Cash Settlement</p> <p>Each Certificate entitles its holder to receive from the relevant Issuer on the Settlement Date the Cash Settlement Amount, less any Expenses not already paid.</p> <p>Cash Settlement Amount</p> <p>The Cash Settlement Amount shall be the amount which the Securityholder is entitled to receive on the Settlement Date in the Settlement Currency in respect of</p>
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		<p>each such Security, which is [] [calculated in accordance with the following:</p> <p><i>[Insert if the Securities are Certificates:</i></p> <p><i>[Insert if "Normal Performance" is specified as being applicable in the Final Terms:</i></p> <p>[Notional Amount * [Protection Level + Participation Factor * Max (0%; Final Reference Level – Initial Reference Level) * Multiplier]</p> <p>[Notional Amount * {Protection Level + Min [Cap; Participation Factor * Max (($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1; 0\%$))}]</p> <p>[Notional Amount * Max [100%; Protection Factor * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]]</p> <p>[Notional Amount * [Protection Level + Participation Factor * Max ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1; 0\%$)]]</p> <p><i>[If the Final Reference Level is greater than or equal to the Initial Reference Level,</i></p> <p>[Notional Amount * (1 + Premium + N)]</p> <p>[Notional Amount * (1 + Premium * N)]</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level but equal to or greater than the Relevant Level,</i></p> <p>[Notional Amount per Certificate]</p> <p>[Notional Amount * (1 + Premium)]</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level and lower than the Relevant Level</i></p> <p>[Notional Amount * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]</p> <p>[Notional Amount * (1 + Worst of Amount)]]</p> <p><i>[If the Final Reference Level is equal to or greater than the Relevant Level,</i></p> <p>[Notional Amount per Certificate]</p> <p>[Notional Amount * (1 + Premium)]</p> <p><i>If the Final Reference Level is lower than the Relevant Level</i></p> <p>[Notional Amount * ($\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]</p> <p>[Notional Amount * (1 + Premium) * ($\frac{1}{\text{Relevant Level}}$)]</p> <p>[Notional Amount * ($\frac{1}{\text{Relevant Level}} + \text{Premium}$)]]</p> <p><i>[Insert if "Zero Coupon Extra Yield" is specified as being applicable in the Final Terms:</i></p>
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		<p><i>[If the Final Reference Level is equal to or greater than the Strike Level,</i></p> <p>Notional Amount per Certificate</p> <p><i>If the Final Reference Level is lower than the Strike Level,</i></p> <p>Notional Amount * Final Reference Level * Multiplier]</p> <p><i>[If the Final Reference Level is lower than the Strike Level</i></p> <p>Notional Amount per Certificate</p> <p><i>If the Final Reference Level is equal to or greater than the Strike Level,</i></p> <p>Notional Amount * [100% - (Final Reference Level – Strike Level) * Multiplier]]]</p> <p><i>[Insert if "Performance Differential" is specified as being applicable in the Final Terms:</i></p> <p>Notional Amount * (1 + (Participation Factor * (Performance of Underlying 1 - Performance of Underlying 2)))]</p> <p><i>[Insert if "Digital Certificates" is specified as being applicable in the Final Terms:</i></p> <p><i>If the Final Reference Level is equal to or greater than the Digital Level on the Valuation Date,</i></p> <p>[Notional Amount * [100% + Participation Factor * Fixed Percentage]]</p> <p>[Notional Amount * [100% - Fixed Percentage]]</p> <p><i>If the Final Reference Level is lower than the Digital Level on the Valuation Date,</i></p> <p>[Notional Amount per Certificate]</p> <p>[Notional Amount * [100% + Participation Factor * Max (Fixed Percentage; 1 - $\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$)]]</p> <p>[Notional Amount * Max {0%; 100% - Multiplier * [Barrier Level - $\frac{\text{Final Reference Level}(t)}{\text{Final Reference Level}(t-1)}$]})]</p> <p><i>[Insert if "Reverse Digital Certificates" is specified as being applicable in the Final Terms:</i></p> <p><i>If the Final Reference Level is lower than the Digital Level on the Valuation Date,</i></p> <p>[Notional Amount * [100% + Participation Factor * Fixed Percentage]]</p> <p>[Notional Amount * [100% - Fixed Percentage]]</p> <p><i>If the Final Reference Level is equal to or greater than the Digital Level on the Valuation Date,</i></p> <p>[Notional Amount per Certificate]</p> <p>[Notional Amount * [100% + Participation Factor * min (Fixed Percentage;</p>
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	<p>$\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right) \right]]]$</p> <p><i>[Insert if "Twin Win Certificates" is specified as being applicable in the Final Terms:</i></p> <p><i>If the Final Reference Level is greater than or equal to the Initial Reference Level on the Valuation Date,</i></p> <p>$\left[\text{Notional Amount} * \left[\text{Protection Level} + \text{Up Participation Factor} * \left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right) \right] \right]$</p> <p>$\left[\text{Notional Amount} * \left\{ \text{Protection Level} + \text{Up Participation Factor} * \min \left[\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right); \text{Twin Win Cap} \right] \right\} \right]$</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date and the Twin Win Stop (European) and the Twin Win Stop (American) have not occurred,</i></p> <p>$\left[\text{Notional Amount} * \left[\text{Protection Level} + \text{Down Participation Factor} * \left(1 - \frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right) \right] \right]$</p> <p>$\left[\text{Notional Amount} * \left\{ \text{Protection Level} + \text{Up Participation Factor} * \min \left[\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right); \text{Twin Win Cap} \right] \right\} \right]$</p> <p><i>If the Twin Win Stop (European) or the Twin Win Stop (American) has occurred on the Valuation Date,</i></p> <p>$\text{Notional Amount} * \left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right)$</p> <p><i>[Insert if "Short Benchmark Certificates" is specified as being applicable in the Final Terms:</i></p> <p>$\text{Notional Amount} * \left[\text{Participation Factor} + (\text{Strike Level} - \text{Final Reference Level}) * \text{Multiplier} \right]$</p> <p><i>[Insert if "Benchmark Certificates" is specified as being applicable in the Final Terms:</i></p> <p>$\text{Notional Amount} * \left(\frac{\text{Reference Level } t}{\text{Reference Level } 0} \right)$</p> <p><i>[Insert if "Outperformance Certificates" is specified as being applicable in the Final Terms:</i></p> <p><i>If the Final Reference Level is greater than or equal to the Initial Reference Level on the Valuation Date,</i></p> <p>$\left[\text{Notional Amount} * \left[1 + \text{Participation Factor} * \left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right) \right] \right]$</p> <p>$\left[\text{Notional Amount} * \left\{ 1 + \min \left[\text{Cap}; \text{Participation Factor} * \left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right) \right] \right\} \right]$</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date,</i></p>
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		<p>Notional Amount * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right)$</p> <p>[Insert if "Bonus Certificates" is specified as being applicable in the Final Terms:</p> <p><i>If the Final Reference Level is greater than or equal to the Initial Reference Level and the Bonus Stop (European) and the Bonus Stop (American) have not occurred,</i></p> <p>[Notional Amount * max [(Initial Reference Level * Bonus Factor); Final Reference Level] * Multiplier]</p> <p>[Notional Amount * min {(Initial Reference Level * Bonus Cap); max [(Initial Reference Level * Bonus Factor); Final Reference Level]}] * Multiplier]</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level but greater than or equal to the Relevant Level and the Bonus Stop (European) and the Bonus Stop (American) have not occurred,</i></p> <p>Notional Amount per Certificate</p> <p><i>If the Bonus Stop (European) or the Bonus Stop (American) has occurred, on the Valuation Date,</i></p> <p>Notional Amount * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right)$</p> <p>[Insert if "Airbag Certificates" is specified as being applicable in the Final Terms:</p> <p><i>If the Final Reference Level is greater than or equal to the Initial Reference Level on the Valuation Date,</i></p> <p>[Notional Amount * 100% + [Participation Factor * $\left[\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1\right)\right]$]</p> <p>[Notional Amount * {100% + min [Participation Factor * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1\right)$; Airbag Cap]}]</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level on the Valuation Date but equal to or greater than the Airbag Level,</i></p> <p>Notional Amount per Certificate</p> <p><i>If the Final Reference Level is lower than the Airbag Level on the Valuation Date,</i></p> <p>Notional Amount * Airbag Factor * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right)$</p> <p>[Insert if "Memory Autocallable Certificates" is specified as being applicable in the Final Terms:</p> <p>a) <i>The Memory Autocallable Certificates shall be automatically early redeemed on a Remuneration Payment Date, if on such Remuneration Payment Date the Final Reference Level is equal to or greater than the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Remuneration Payment Date in accordance with the following,</i></p> <p>Notional Amount * (100% + Remuneration Percentage * N)</p>
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		<p>b) <i>If the Certificates are not automatically early redeemed:</i></p> <p><i>If the Final Reference Level is equal to or greater than the Initial Reference Level,</i></p> <p>Notional Amount * (100% + Remuneration Percentage * N)</p> <p><i>If the Final Reference Level is lower than the Initial Reference Level but equal to or greater than the Autocallable Barrier on the Valuation Date,</i></p> <p>Notional Amount per Certificate</p> <p><i>If the Final Reference Level is lower than the Autocallable Barrier on the Valuation Date,</i></p> <p>Notional Amount * Participation Factor * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right)$</p> <p><i>[Insert if the Securities are Certificates and Autocallable Certificates is specified as being applicable in the Final Terms:</i></p> <p>a) <i>The Autocallable Certificates shall be automatically redeemed early on a Barrier Exercise Date, if on such date the Final Reference Level is [equal to or greater than] [equal to or lower than] the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Barrier Exercise Date in accordance with the following:</i></p> <p>Notional Amount * (1 + Remuneration Percentage)</p> <p>b) <i>If the Certificates have not been automatically early redeemed as described above, the Cash Settlement Amount will be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following:</i></p> <p><i>If the Final Reference Level is [equal to or greater than] [equal to or lower than] the Barrier Level on the Valuation Date:</i></p> <p>Notional Amount * (1 + Remuneration Percentage)</p> <p><i>If the Final Reference Level is [lower than] [greater than] the Barrier Level on the Valuation Date,</i></p> <p>Notional Amount * Participation Factor * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right)$</p> <p><i>[Insert if "Bonus Autocallable Certificates" is specified as being applicable in the Final Terms:</i></p> <p>a) <i>The Bonus Autocallable Certificates shall be automatically early redeemed on a Barrier Exercise Date, if on such date the Final Reference Level is equal to or greater than the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Remuneration Payment Date in accordance with the following,</i></p> <p>Notional Amount * (1 + Remuneration Percentage)</p> <p>b) <i>If the Certificates are not automatically early redeemed:</i></p> <p><i>If the Final Reference Level is lower than the Strike Level but equal to or</i></p>
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		<p>greater than the Barrier Level, the Certificate shall pay a Remuneration Percentage on the Remuneration Payment Date immediately following the Barrier Exercise Date when the automatic early redemption event under a) above has not occurred, in accordance with the following:</p> <p>Notional Amount * Remuneration Percentage,</p> <p>If the Final Reference Level is lower than the Barrier Level, no Remuneration Percentage shall be paid in relation to each of such Remuneration Periods</p> <p>c) If the Certificates are not automatically early redeemed as described under a) above and in addition to any payment to be made in accordance with b) above:</p> <p>If the Final Reference Level is equal to or greater than the Strike Level,</p> <p>$\left[\text{Notional Amount} * \min \left(\text{Cap}; \text{Participation Factor} * \left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right) \right) \right]$</p> <p>$\left[\text{Notional Amount} * (1 + \text{Remuneration Percentage}) \right]$</p> <p>If the Final Reference Level is lower than the Strike Level but equal to or greater than the Barrier Level on the Valuation Date,</p> <p>Notional Amount * (1 + Remuneration Percentage)</p> <p>If the Final Reference Level is lower than the Barrier Level on the Valuation Date,</p> <p>Notional Amount * Participation Factor * $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right)$</p> <p><i>[Insert if "Leveraged Certificates" is specified as being applicable in the Final Terms:</i></p> <p>$\text{Reference Level}_0 * (1 + \text{Participation Factor} * \frac{\text{Fund Level}_t - \text{Fund Level}_0}{\text{Fund Level}_0} - (\text{Participation Factor}-1) * \text{Fees}_t)$</p> <p><i>[Insert if "Standard Long Autocallable Barrier Protected Certificates" is specified as being applicable in the Final Terms:</i></p> <p>a) The Certificates shall be automatically redeemed early on a Barrier Exercise Date at the Early Redemption Standard Long Amount if in the Early Redemption Valuation Period the Relevant Level is greater than, or equal to, the Early Redemption Level. In such event, the Early Redemption Standard Long Amount shall be paid on the Early Payment Date.</p> <p>b) If the Certificates are not automatically early redeemed as described above, the Cash Settlement Amount will be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following:</p> <p>If the Final Reference Level is greater than, or equal to, the Barrier Level</p> <p>Notional Amount * [(Fixed Percentage * Initial Reference Level * Multiplier)]</p> <p>If the Final Reference Level is lower than the Barrier Level</p> <p>Notional Amount * {[Max(Final Reference Level; Protection Level)] *</p>
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		<p>Multiplier}</p> <p><i>[Insert if "Standard Long Barrier Protected Certificates" is specified as being applicable in the Final Terms:</i></p> <p><i>If the Final Reference Level is greater than, or equal to, the Barrier Level</i></p> <p>Notional Amount * [(Fixed Percentage * Initial Reference Level * Multiplier)]</p> <p><i>If the Final Reference Level is lower than the Barrier Level</i></p> <p>Notional Amount * {[Max(Final Reference Level; Protection Level)] * Multiplier}</p> <p><i>[Insert if "Wedding Cake Certificates" is specified as being applicable in the Final Terms:</i></p> <p><i>If, within the relevant Observation Period, the Reference Item remains within Range 1</i></p> <p>Notional Amount * FXR_1</p> <p><i>[If within the relevant Observation Period, the Reference Item has, at least once, moved outside Range 1 but has remained within Range 2</i></p> <p>Notional Amount * FXR_2]</p> <p><i>[If, within the relevant Observation Period, the Reference Item has, at least once, moved outside Range 1, Range 2 and any other wider range (other than Range nth) specified as applicable in the relevant Final Terms but has remained within Range nth</i></p> <p>Notional Amount * FXR_n]</p> <p>If the previous condition[s] [has][have] not been met, the Cash Settlement Amount shall be equal to the Notional Amount.</p> <p style="text-align: center;">*****</p> <p>[provided that the Cash Settlement Amount will not be [greater than the Maximum Amount] [and will not be] [less than the Minimum Amount]. Such amount shall, if applicable, be converted into the Settlement Currency on [●] [the Settlement Date.]</p> <p>[Performance of Underlying is:</p> $\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$ <p>[Performance of Underlying 1, with respect to Reference Item 1 is:</p> $\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$ <p>[Performance of Underlying 2, with respect to Reference Item 2 is:</p>
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$$\left[\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} - 1 \right]$$

["**Airbag Cap**" is equal to [●].]

["**Airbag Factor**" is equal to [●].]

["**Airbag Level**" is equal to [●].]

["**Autocallable Barrier**" is equal to [●].]

["**Barrier Level**" is equal to [●].]

["**Bonus Cap**" is equal to [●].]

["**Bonus Factor**" is equal to [●].]

["**Cap**" is equal to [●].]

["**Certificate Fee Rate**" means [●].]

["**Certificate Level**" means the official closing level of the Reference Item.]

["**Days_{t-1,t}**" means the actual number of calendar days between the Calculation Date t-1 and the Calculation Date t.]

["**Day Count Fraction**" means [●].]

["**Digital Level**" is equal to [●].]

["**Down Participation Factor**" is equal to [●].]

["**Early Redemption Level**" means [●].]

["**Early Payment Date**" means [●].]

["**Early Redemption Standard Long Amount**" is equal to [●].]

["**Early Redemption Valuation Period**" means [●].]

["**F**" means the Certificate Fee Rate.]

["**Fee Accrual Commencing Date**" means [●].]

["**Fee Accrual Date**" means [●].]

["**Fee Margin**" means [●].]

["**Final Reference Level**" is the Settlement Price on the Valuation Date.]

["**First Calculation Date**" means [●].]

["**Fixed Percentage**" is equal to [●].]

["**FXR_1**" is equal to [●].]

["**FXR_2**" is equal to [●].]

		<p>["FXR_n" is equal to [●].]</p> <p>["I_t" means the Settlement Price on the Calculation Date t.]</p> <p>["I_{t,1}" means the Settlement Price on the Calculation Date t-1.]</p> <p>["Initial Reference Level" [is equal to [●]] [with respect to Reference Item 1 is equal to [●] and with respect to Reference Item 2 is equal to [●]].]</p> <p>["Multiplier" is equal to [●].]</p> <p>["N" is equal to [●].]</p> <p>["Premium" is equal to [●].]</p> <p>["Range 1" is equal to [●].]</p> <p>["Range 2" is equal to [●].]</p> <p>["Range n" is equal to [●].]</p> <p>["Relevant Level" is equal to [●].]</p> <p>["Relevant Level₀" is equal to [●].]</p> <p>["Reference Item" means [●].]</p> <p>["Reference Item 1" means [●].]</p> <p>["Reference Item 2" means [●].]</p> <p>["Reference Level₀" means 100.]</p> <p>["Reference Level_t" means $\text{Reference Level}_{t-1} * \frac{I_t}{I_{t-1}} * (1 - F * \frac{\text{Days}_{t-1,t}}{360})$.]</p> <p>["Reference Level_{t,1}" means the Certificate Level on the Calculation Date_{t,1}.]</p> <p>["Remuneration Percentage" means [●].]</p> <p>"Settlement Currency" means [●].</p> <p>"Settlement Price" is the amount or value with respect to [the Reference Item] [Reference Item 1 or Reference Item 2, as the case may be] determined by the Calculation Agent on the [Valuation Date] [over the Averaging Dates] in accordance with the Terms and Conditions.</p> <p>["Stop Level" is equal to [●]]</p> <p>["Strike Level" is equal to [●]]</p> <p>["Protection Factor" means [●].]</p> <p>["Protection Level" means [●].]</p> <p>["Participation Factor" means [●].]</p> <p>["Twin Win Cap" is equal to [●]]</p>
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	<p>["Up Participation Factor" is equal to [●]]</p> <p>["Worst of Amount" means an amount equal to the Performance of Components of the Components comprised in the Basket or the Components indicated in the applicable Final Terms having the lowest performance.]</p> <p><i>[Insert if the Securities are Call Warrants:</i></p> <p>[the Final Reference Level – Strike Level]</p> <p><i>[Insert if the Securities are Put Warrants:</i></p> <p>[the Strike Level - Final Reference Level]</p> <p>[provided that the Cash Settlement Amount will not be [greater than the Maximum Amount] [and will not be] less than the Minimum Amount]. Such amount shall, if applicable, be converted into the Settlement Currency on [●] [the Settlement Date].</p> <p>"Final Reference Level" is the [Settlement Price on the Valuation Date] [average of the Settlement Prices on each of the Averaging Dates].</p> <p>"Strike Level" is equal to [●].</p> <p>"Settlement Price" is the amount or value with respect to the Reference Item determined by the Calculation Agent on the [Valuation Date] [over the Averaging Dates] in accordance with the Terms and Conditions.]</p> <p>"Reference Item" means [●].</p> <p>"Settlement Currency" means [●].]</p> <p><i>[[Insert if the Securities (other than Credit Securities) are Physically Settled Securities:</i></p> <p>Physical Settlement</p> <p>Each Certificate entitles its holder to receive from the relevant Issuer on the Settlement Date the Entitlement, subject to the payment of any Expenses.</p> <p>Entitlement</p> <p>The Entitlement shall mean a quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Securityholder is entitled to receive on the Settlement Date in respect of each such Security following payment of any sums payable and Expenses, which is [in respect of] [each] [Relevant Asset] [Component] [[] [Entitlement Units in []]] [Entitlement Units x Entitlement Multiplier] [Entitlement Units x Entitlement Multiplier x Component Weight].</p> <p>"Relevant Assets" means [●] (<i>include, where applicable, an asset for each Component</i>).</p> <p>"Entitlement Units" means [[] unit[s] of the Relevant Asset[s] relating to the [Component which is []] [Reference Item] (<i>where the intention is to deliver a basket, insert details of the units of each Relevant Asset[s] relating to each Component</i>)</p> <p>["Entitlement Multiplier" means [] [the quotient of [the Notional Amount]</p>
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		<p>[100] [] (as numerator) and the Initial Reference Level (as denominator).]</p> <p><i>[Insert if the Securities are Credit Securities:</i></p> <p>The return on each Certificate takes place by the payment by the relevant Issuer on each Remuneration Payment Date of an enhanced rate of remuneration as a result of the exposure of Certificateholders via the Certificates to the [Reference Entity][Reference Entities].</p> <p><i>Redemption upon the absence of a Credit Event</i></p> <p>If no Credit Event has occurred, the Certificates will be redeemed by payment on the Settlement Date of the Final Cash Settlement Amount, less any Expenses not already paid, to each Certificateholder.]</p> <p><i>Redemption upon the occurrence of a Credit Event</i></p> <p><i>[Insert if the Securities are Single Name Credit Linked Certificates, First-to-Default Credit Linked Certificates or Nth-to-default Credit Linked Certificates and Cash Settlement or Auction Cash Settlement is the Settlement Basis:</i></p> <p>If a Credit Event occurs, the Certificates will be redeemed in full by payment on the [Auction] Cash Settlement Date of the [Auction] Cash Settlement Amount. Notwithstanding the foregoing, the Certificates may be redeemed in full by payment on an alternative date if, as provided in accordance with the Terms and Conditions, no resolution is made in respect of the relevant Credit Event by the credit derivatives determination committee formed in respect thereof.</p> <p>The [Auction] Cash Settlement Amount with respect to each Certificate is [] [an amount determined by the Calculation Agent to be the greater of (a) zero and (b) an amount equal to (i) 100 per cent. multiplied by (ii) the outstanding principal amount of such Certificate multiplied by (iii) the [Auction] Final Price of the Reference Obligation(s) [adjusted upwards or downwards, as applicable, to reflect the <i>pro rata</i> Hedge Unwind Costs]].</p> <p>["Auction Final Price"] means the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Certificates determined to be the Auction Final Price in accordance with the relevant credit derivatives auction settlement terms published by the International Swaps and Derivatives Association, Inc.]</p> <p>["Final Price"] means the price of the Reference Obligation, expressed as a percentage of its outstanding principal balance or due and payable amount, as applicable, determined by the Calculation Agent in accordance with the Terms and Conditions following the Credit Event.]</p> <p>["Hedge Unwind Costs"] means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]</p> <p><i>[Insert if the Securities are Linear Basket Credit Linked Certificates or Nth-to-Default Linear Basket Credit Linked Certificates and Cash Settlement or Auction Cash Settlement is the Settlement Basis:</i></p> <p>If a Credit Event occurs, the Certificates will be redeemed in part by payment on the related [Auction] Cash Settlement Date of the related [Auction] Cash Settlement Amount. Notwithstanding the foregoing, the Certificates may be</p>
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	<p>redeemed in part by payment on alternative dates if, as provided in accordance with the Terms and Conditions, no resolution is made in respect of the relevant Credit Event by the applicable credit derivatives determination committee formed in respect thereof.</p> <p>The [Auction] Cash Settlement Amount with respect to each Certificate is [] [an amount determined by the Calculation Agent to be the greater of (a) zero and (b) an amount equal to (i) an amount (expressed as a percentage) equal to the Related Nominal Amount of the Reference Entity to which the Credit Event relates divided by the outstanding principal amount of the Certificates then outstanding multiplied by (ii) the outstanding principal amount of such Certificate multiplied by (iii) the [Auction] Final Price of the Reference Obligation(s) [adjusted upwards or downwards, as applicable, to reflect the <i>pro rata</i> Hedge Unwind Costs]].</p> <p>["Auction Final Price" means the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Certificates determined to be the Auction Final Price in accordance with the relevant credit derivatives auction settlement terms published by the International Swaps and Derivatives Association, Inc.]</p> <p>["Final Price" means the price of the Reference Obligation, expressed as a percentage of its outstanding principal balance or due and payable amount, as applicable, determined by the Calculation Agent in accordance with the Terms and Conditions following the Credit Event.]</p> <p>["Hedge Unwind Costs" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]</p> <p><i>[Insert if the Securities are Single Name Credit Linked Certificates, First-to-Default Credit Linked Certificates or Nth-to-default Credit Linked Certificates and Physical Settlement is the Settlement Basis:</i></p> <p>If a Credit Event occurs, the Certificates will be redeemed in full by the delivery on or prior to the Physical Settlement Date of Deliverable Obligations.</p> <p>The aggregate [outstanding principal balance][due and payable amount] of the Deliverable Obligations which the Issuer will deliver with respect to each Certificate will equal the then outstanding principal amount of such Certificate, subject to the payment of any Delivery Expenses [and Hedge Unwind Costs]] and certain potential other adjustments in accordance with the Terms and Conditions.</p> <p>["Hedge Unwind Costs" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]</p> <p><i>[Insert if the Securities are Linear Basket Credit Linked Certificates or Nth-to-Default Linear Basket Credit Linked Certificates and Physical Settlement is the Settlement Basis:</i></p> <p>If a Credit Event occurs, the Certificates will be redeemed in part by the delivery on or prior to the related Physical Settlement Date of Deliverable Obligations.</p> <p>The aggregate [outstanding principal balance][due and payable amount] of Deliverable Obligations which the Issuer will deliver with respect to each Certificate is a portion of the then outstanding principal balance of such Certificate</p>
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	<p>which (expressed as a percentage) is the same as the amount (expressed as a percentage) equal to the Related Nominal Amount of the Reference Entity to which the Credit Event relates divided by the aggregate outstanding principal balance of the Certificates then outstanding, subject to the payment of any Delivery Expenses [and Hedge Unwind Costs]] and certain potential other adjustments in accordance with the Terms and Conditions.</p> <p>["Hedge Unwind Costs" means the costs of unwinding any associated hedging transactions, including but not limited to any hedging and/or funding transactions, following the occurrence of a Credit Event.]</p> <p><i>[Insert if Barrier Event applies:</i></p> <p>Barrier Event</p> <p><i>[Insert if the Securities are Warrants:</i></p> <p>If a Barrier Event has occurred, each [Warrant] [Unit], entitles its holder to receive from the relevant Issuer on [each] [the] Barrier Exercise Date the [Barrier Cash Settlement Amount] [Barrier Entitlement] [, less any Expenses not already paid]. [Each [Warrant] [Unit] shall be automatically exercised on the Barrier Exercise Date falling on [●].]</p> <p>"Barrier Event" means that, the Settlement Price [is equal to] [and/or] [exceeds] [falls below] the Barrier Level [] on [the Barrier Observation Date[]] [at any time during the Barrier Observation Period []][and the Barrier Level [] on [the Barrier Observation Date []] [at any time during the Barrier Observation Period []].</p> <p>"Barrier Level" means [●].</p> <p>"Barrier Cash Settlement Amount" means the amount which the Securityholder is entitled to receive on [each] [the] Barrier Exercise Date [in the Settlement Currency] in relation to each [Warrant] or [Unit], which shall be [●] [the Barrier Reference Level minus the Strike Level] [the Strike Level minus the Barrier Reference Level] [provided that the Barrier Cash Settlement Amount will not be greater than the Barrier Maximum Amount (if any) and will not be less than the Barrier Minimum Amount (if any)].</p> <p>"Barrier Entitlement" means [the quantity of the Relevant Asset] [the Relevant Assets] which a Securityholder is entitled to receive on [each] [the] Barrier Exercise Date in respect of each [Warrant] or [Unit] which shall be the Entitlement Units multiplied by the Entitlement Multiplier [multiplied by the Component Weight (<i>in respect of any Reference Item constituted by a Basket</i>)].</p> <p>"Barrier Reference Level" means the Settlement Price on [the relevant Barrier Observation Date] [the relevant day during the Barrier Observation Period on which the Barrier Event occurs].</p> <p><i>[Insert if the Securities are Certificates:</i></p> <p>If a Barrier Event has occurred, each Certificate entitles its holder to receive from the relevant Issuer on [each] [the] the Barrier Exercise Date the [Barrier Cash Settlement Amount] [Barrier Entitlement][, less any Expenses not already paid]. Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [●].]</p>
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	<p>"Barrier Event" means that the Settlement Price [is equal to] [and/or] [exceeds] [falls below] the Barrier Level [] on [the Barrier Observation Date []] [at any time during the Barrier Observation Period []] [and the Barrier Level [] on [the Barrier Observation Date []] [at any time during the Barrier Observation Period []].</p> <p>"Barrier Cash Settlement Amount" means the amount which the Securityholder is entitled to receive on [each] [the] Barrier Exercise Date [in the Settlement Currency] in relation to each such Security which shall be</p> <p>[•]</p> <p>[(i) the Notional Amount multiplied by (ii) (1+ [(Participation Factor multiplied by] Performance of Underlying)].</p> <p>[(i) the Notional Amount multiplied by (ii) (1 + Premium multiplied by N)]</p> <p>[, provided that the Barrier Cash Settlement Amount will not be greater than the Barrier Maximum Amount (if any) and will not be less than the Barrier Minimum Amount (if any).] [The Barrier Cash Settlement Amount shall include any [Remuneration Amount] [Remuneration Percentage] accrued up to the Barrier Exercise Date.]</p> <p>"Premium" means [•].]</p> <p>"N" means [•].]</p> <p>For these purposes, "Performance of Underlying" means, with respect to the Reference Item:</p> $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right) - 1$ <p>where "Final Reference Level" is the Settlement Price on [the relevant Barrier Observation Date] [the relevant day during the Barrier Observation Period on which the Barrier Event occurs].</p> <p>"Barrier Entitlement" means [the quantity of the Relevant Asset] [the Relevant Assets] which a Securityholder is entitled to receive on [each] [the] Barrier Exercise Date in respect of each Certificate which shall be the Entitlement Units multiplied by the Entitlement Multiplier [multiplied by the Component Weight (<i>in respect of any Reference Item constituted by a Basket</i>)].</p> <p><i>[Insert if the Securities are Certificates and Leveraged Certificates apply:]</i></p> <p>If a Barrier Event has occurred, each Certificate entitles its holder to receive from the relevant Issuer on [each] [the] Barrier Exercise Date the [Barrier Cash Settlement Amount] [Barrier Entitlement][, less any Expenses not already paid]. Each such Certificate shall be automatically exercised on the Barrier Exercise Date falling on [•].]</p> <p>"Barrier Event" means that the Reference Level [is equal to] [and/or] [exceeds] [falls below] the Barrier Level on [a Barrier Observation Date]</p> <p>Where</p>
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		<p>"Reference Level" means</p> $Reference\ Level_0 * (1 + Participation\ Factor * \frac{Fund\ Level_t - Fund\ Level_0}{Fund\ Level_0} - (Participation\ Factor - 1) * Fees_t)$ <p>"Reference Level₀" means [●]</p> <p>"Fees_t" means [●]</p> <p>"Barrier Cash Settlement Amount" means the amount which the Securityholder is entitled to receive on [each] [the] Barrier Exercise Date [in the Settlement Currency] in relation to each such Security which shall be determined by the Calculation Agent at its sole discretion as the ratio of:</p> <p>Net Proceeds / Number of Certificates issued</p> <p>Where</p> <p>"Net Proceeds" means the proceeds which the Issuer has actually received from the sale of all the shares or quotas held by it in the Reference Item, net of any costs, expenses or taxes incurred by the Issuer in connection with such sale.]</p> <p>Expenses</p> <p>A holder of Securities must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, sale commissions, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("Expenses") relating to such Securities.</p> <p><i>[Insert if the Securities are Certificates only:</i></p> <p>Remuneration and Remuneration Periods</p> <p>[The Securities do not bear remuneration.]</p> <p><i>[Delete the remaining paragraphs if the Securities do not bear remuneration:</i></p> <p><i>[Insert in the case of Remuneration other than Digital Remuneration:</i></p> <p>The Securities [bear remuneration at a fixed rate from the Remuneration Commencement Date] [bear remuneration at a floating rate from the Remuneration Commencement Date] [bear remuneration at a [fixed rate][floating rate] from the Remuneration Commencement Date to the Interest Rate Switch Date and shall thereafter bear remuneration at a [fixed rate][floating rate]] [at the applicable Remuneration Rate, such remuneration being payable in arrear on each specified Remuneration Payment Date] [to the Settlement Date] [bear a fixed remuneration depending on a certain performance of the Reference Item, such remuneration being payable in arrear on each specified Remuneration Payment Date (<i>specify for Wedding Cake Certificates</i>)].</p> <p><i>[Insert in the case of Securities which bear a Remuneration Rate:</i></p> <p><i>Remuneration Rate</i></p>
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[Insert in the case of fixed rate Remuneration:

The Remuneration Rate for the Securities [from the Remuneration Commencement Date] [Remuneration Rate Switch Date] to the [Remuneration Rate Switch Date][Settlement Date] is [●] per cent. per annum] [from the Remuneration Rate Switch Date to the Settlement Date is [●] per cent. per annum]. The yield in respect of the Securities is [●]. Yield is calculated in accordance with the ICMA Method or any other method indicated in the relevant Final Terms. [The ICMA Method determines the effective interest rate for the securities taking into account accrued interest on a daily basis.] [In respect of any short or long Remuneration Period as specified in the applicable Final Terms, [the Remuneration Amount payable will be the Broken Amount.]

[Insert in the case of floating rate Remuneration:

[Insert in the case of "Screen Rate Determination" or "CMS Determination":

The Remuneration Rate for each Remuneration Period [from the Remuneration Commencement Date] [Remuneration Rate Switch Date] to the [Remuneration Rate Switch Date][Settlement Date] shall be determined by reference to [●- week[s]] [●- month] [3-month] [6-month] [12-month] [●- year] [GBP-][EUR-][USD-][CHF-] [●-] [EURIBOR] [LIBOR] [LIBID] [LIMEAN] [BOT] [*relevant yield of Government securities*] [CMS] appearing on [●]] (the "**Reference Rate**") and will be determined as [the sum of a Margin of [●] and the Reference Rate so determined] [(i) the sum of a Margin of [●] and the Reference Rate so determined (ii) multiplied by a Rate Multiplier of [●]] [the sum of (i) a Margin of [●] and (ii) the Reference Rate so determined multiplied by a Rate Multiplier of [●]]. If no such rate appears on the applicable page at the relevant time on the Remuneration Determination Date, the rate shall be determined by the Calculation Agent using certain fallback methods. In respect of any short or long Remuneration Period as specified in the applicable Final Terms, the Calculation Agent will determine the Remuneration Rate using [Linear Interpolation] [the relevant Reference Rate on the Remuneration Determination Date]. [For the avoidance of doubt the Remuneration Rate may be a sum of or combination of more than one Reference Rate (plus any applicable Margin) if so specified in the relevant Final Terms.]

[Insert in the case of "ISDA Determination": The Remuneration Rate for each Remuneration Period [from the Remuneration Commencement Date] [Remuneration Rate Switch Date] to the [Remuneration Rate Switch Date][Settlement Date] shall be the [the sum of a Margin of [●] and the ISDA Rate] [(i) the sum of a Margin of [●] and the ISDA Rate (ii) multiplied by a Rate Multiplier of [●]] [the sum of (i) a Margin of [●] and (ii) the ISDA Rate multiplied by a Rate Multiplier of [●]] where "**ISDA Rate**" in relation to any Remuneration Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option (as defined in the ISDA Definitions) is [GBP-][EUR-][USD-][CHF-] [●-] [EURIBOR-] [LIBOR-] [LIBID-] [LIMEAN-] [*relevant yield of Government securities*] [*relevant swap rate*] [●-] [Reuters] [Bloomberg] [BBA] [●];
- (b) the Designated Maturity (as defined in the ISDA Definitions) is to [●- week[s]] [●- month] [3-month] [6-month] [12-month]; and

		<p>(c) the relevant Reset Date (as defined in the ISDA Definitions) is [the first day of that Remuneration Period] [●].</p> <p>In respect of any short or long Remuneration Period as specified in the applicable Final Terms, the Calculation Agent will determine the Remuneration Rate using [Linear Interpolation] [the relevant Reference Rate on the Remuneration Determination Date]. [For the avoidance of doubt the Remuneration Rate may be a sum of or combination of more than one Reference Rate (plus any applicable Margin) if so specified in the relevant Final Terms.]</p> <p>"Linear Interpolation" means the straight-line interpolation by reference to two rates based on the Reference Rate or the ISDA Rate, as the case may be, one of which will be determined as if the [Specified Duration] were the period of time for which rates are available next shorter than the length of the affected Remuneration Period and the other of which will be determined as if the [Specified Duration] or the Designated Maturity, as the case may be, were the period of time for which rates are available next longer than the length of such Remuneration Period.]</p> <p><i>[Insert if Rate Multiplier is applicable:</i></p> <p><i>Rate Multiplier</i></p> <p>The Remuneration Rate from the Remuneration Commencement Date to the [Remuneration Rate Switch Date] [from the [Remuneration Commencement Date] [Remuneration Rate Switch Date] to the Settlement Date] will also be subject to a Rate Multiplier of [].]</p> <p><i>[Insert if Reference Rate Multiplier is applicable:</i></p> <p><i>Reference Rate Multiplier</i></p> <p>The Remuneration Rate from the Remuneration Commencement Date to the [Remuneration Rate Switch Date] [from the [Remuneration Commencement Date] [Remuneration Rate Switch Date] to the Settlement Date] will [also] be subject to a Reference Rate Multiplier of [].]</p> <p><i>[Insert if Maximum Remuneration Rate and/or Minimum Remuneration Rate is applicable:</i></p> <p><i>[Maximum Remuneration Rate] [and] [Minimum Remuneration Rate]</i></p> <p>The Remuneration Rate [from the Remuneration Commencement Date to the [Interest Rate Switch Date][Settlement Date] will also be subject to a [[Maximum][Minimum] Remuneration Rate of [●]] [and] a [[Maximum][Minimum] Remuneration Rate of [●]] [and] [from the Remuneration Rate Switch Date to the Settlement Date] will [also] be subject to a [[Maximum][Minimum] Remuneration Rate of [●]] [and] a [[Maximum][Minimum] Remuneration Rate of [●]].]</p> <p><i>Remuneration Rate Day Count Fraction</i></p> <p>The applicable Remuneration Rate Day Count Fraction for the calculation of the amount of Remuneration due within a Remuneration Period will be [1/1] [30/360 (Floating)] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [Actual/360] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/365 (Fixed)].]</p>
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	<p><i>[Insert in the case of Securities where Remuneration Amount – Component Cash Flows is applicable:</i></p> <p><i>Remuneration Amount</i></p> <p>The Remuneration Amount shall be with respect to each Security and a Remuneration Payment Date, an amount calculated by the Calculation Agent acting in good faith and in a commercially reasonable manner equal to the sum of the weighted net cash flows (such weighting being equal to the weighting of the relevant Component ETFs in the relevant ETF Basket paid during the immediately preceding Rebalancing Period by the Component ETFs constituting the relevant Proprietary Index during the immediately preceding Rebalancing Period, net of any applicable taxes, costs, expenses, or redemption fees in respect of the immediately preceding Rebalancing Period.]</p> <p><i>Remuneration Periods</i></p> <p>The Remuneration Periods are the periods commencing on (and including) the Remuneration Commencement Date to (but excluding) the first Remuneration Accrual Date and each period commencing on (and including) a Remuneration Accrual Date to (but excluding) the next following Remuneration Accrual Date.</p> <p><i>Remuneration Commencement Date and Remuneration Payment Dates</i></p> <p>The Remuneration Commencement Date is [●]. The Remuneration Payment Dates will be [●].</p> <p><i>[Remuneration Determination Date]</i></p> <p>[The Remuneration Determination Date with respect to a Remuneration Period will be [the first day of each Remuneration Period] [the second day on which TARGET2 is open prior to the first day of each Remuneration Period] [the day falling two banking days prior to the first day of each Remuneration Period] [●].]</p> <p><i>Remuneration Accrual Dates</i></p> <p>The Remuneration Accrual Dates will be [●].</p> <p><i>[Insert if "Remuneration Rate Switch" is applicable:</i></p> <p><i>Remuneration Rate Switch Date</i></p> <p>The Remuneration Rate Switch Date for the Securities will be [●].]</p> <p><i>[Insert if Remuneration Barrier Event applies:</i></p> <p><i>Remuneration Barrier Event</i></p> <p>[With effect from the date on which the Remuneration Barrier Event occurred, the Securities will cease to bear remuneration. On the immediately following Remuneration Payment Date, the Remuneration Amount payable will be reduced accordingly.] [Further to the occurrence of a Remuneration Barrier Event the Securities will cease to bear remuneration with effect from the Remuneration Payment Date immediately following the date on which the Remuneration Barrier Event occurred and the Remuneration Amount payable on such date will be calculated in accordance with the definition of Remuneration Amount.] Thereafter, there will be no further Remuneration Payment Dates and no further Remuneration</p>
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		<p>Amounts payable with respect to the Securities.</p> <p><i>[Insert if Barrier Event and Remuneration Payment Condition apply:</i></p> <p><i>Remuneration Payment Condition</i></p> <p>The [Remuneration Amount] [Fixed Remuneration Amount] [Broken Amount] [Leveraged Amount] shall only be payable on the relevant Remuneration Payment Dates [●] upon the occurrence of the Remuneration Payment Condition.]</p> <p>["Leveraged Amount" means [●].]</p> <p><i>[Insert in the case of Digital Remuneration, the Securities are Certificates and Cash Settled Securities:</i></p> <p>["Best of Digital Event" means, with respect to [the Component [Settled Securities [●] upon the occurrence of the Remuneration Payment Condition], the occurrence of the following event:</p> <p>the Settlement Price is [equal to] [and/or] [exceeds] the Digital Level [●] [on the Digital Observation Date [●]] [at any time during the Digital Observation Period [●]];]</p> <p>"Digital Amount" means, [●];</p> <p>"Digital Event" means that the Settlement Price is [equal to] [and] [exceeds] [falls below] the Digital Level on the Digital Observation Date [at any time during the Digital Observation Period];</p> <p>"Digital Level" means, [●];</p> <p>"Digital Observation Date" means, [●];</p> <p>"Digital Observation Period" means, [●];</p> <p>"Digital Payment Date" means, [●];</p> <p>["Worst of Digital Event" means, with respect to [the Component [[exceeds] [falls below] the Digital Level on the Digital Observation Date [at any time during the Digital Observation Period];]; and</p> <p>the Settlement Price is [equal to] [and/or] [falls below] the Digital Level [●] [on the Digital Observation Date [●]] [at any time during the Digital Observation Period [●]];]</p> <p><i>[Insert if the Certificates are Wedding Cake Certificates and Wedding Cake Remuneration applies:</i></p> <p>The Remuneration Amount payable on a Remuneration Payment Date shall be an amount calculated by the Calculation Agent in its sole discretion in accordance with the following [and the Day Count Fraction] and rounded :</p> <p><i>If, within the relevant Remuneration Period, the Reference Item remains within Remuneration Range 1</i></p> <p style="text-align: center;">Notional Amount * Rate_1 [* Day Count Fraction]</p> <p><i>[If, within the relevant Remuneration Period, the Reference Item has, at least</i></p>
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	<p><i>once, moved outside Remuneration Range 1 but has remained within Remuneration Range 2</i></p> <p style="text-align: center;">Notional Amount * Rate_2 [* Day Count Fraction]]</p> <p><i>[If, within the relevant Remuneration Period, the Reference Item has, at least once, moved outside Remuneration Range 1, Remuneration Range 2 and any other wider remuneration range (other than Remuneration Range nth) specified as applicable in the relevant Final Terms but has remained within Remuneration Range nth</i></p> <p style="text-align: center;">Notional Amount * Rate_n [* Day Count Fraction]]</p> <p>If the previous condition[s] [has][have] not been met, the Remuneration Amount shall be equal to zero .</p> <p>"Rate_1" means, [●]</p> <p>"Rate_2" means, [●]</p> <p>"Rate_n" means, [●]</p> <p>"Remuneration Range 1" means, [●]</p> <p>"Remuneration Range 2" means, [●]</p> <p>"Remuneration Range nth" means, [●]</p> <p>["Day Count Fraction" means, [●]]</p> <p><i>[Insert if the Certificates are Autocallable Certificates and Phoenix Remuneration is applicable:</i></p> <p>The Remuneration Amount payable on each Remuneration Payment Date or on the Exercise Date, as the case may be, shall be an amount calculated by the Calculation Agent in its sole discretion in accordance with the following and rounded:</p> <p><i>If, on a Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level determined on such date is [equal to or greater than] [equal to or lower than] the Barrier Level, the Remuneration Amount shall be equal to:</i></p> <p>Max {0; Notional Amount * [Participation Factor * ((i * Remuneration Rate) – Sum Remuneration Rate(s) Paid)]}</p> <p><i>If, on a Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level determined on such date is [lower than][greater than] the Barrier Level, the Remuneration Amount shall be equal to zero.</i></p> <p>"i" means the number of all the Remuneration Payment Dates plus, as the case may be, the Exercise Date, from the Issue Date up to, and including, the Remuneration Payment Date or the Exercise Date, as the case may be, on which the Remuneration Amount is paid.</p> <p>"Sum Remuneration Rate(s) Paid" means the sum of the Remuneration Rates which have been paid in respect of all the Remuneration Payments Dates from the Issue Date up to, and excluding, the Remuneration Payment Date or the Exercise</p>
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		Date, as the case may be, on which the Remuneration Amount is paid.]
C.19	Exercise price or final reference price of the underlying	[The Final Reference Level is [the Settlement Price on the Valuation Date] [the average of the Settlement Prices on each of the Averaging Dates].] <i>[Insert if the Securities are Credit Linked Certificates:</i> Not applicable.]
C.20	Description of the type of the underlying and the relevant source of information	<p>Type: [Index] [Basket of Indices] [Share] [Basket of Shares] [Currency] [Basket of Currencies] [Debt Instrument] [Basket of Debt Instruments] [Commodity] [Basket of Commodities] [Fund] [Basket of Funds] [Proprietary Index] [[Basket of] Reference Entit[y][ies]]</p> <p>Name of Reference Item(s): [●] Reference Item 1: [●] Reference Item 2: [●]</p> <p>[Notional Amounts: [●]]</p> <p>[[Component: [●]</p> <p>Component Weights: [●]]</p> <p>[Reference Entit[y] [ies] [and</p> <p>Related Nominal Amount]: [●]]</p> <p>[Reference Obligation(s): [●]]</p> <p>[Deliverable Obligation(s): [●]]</p> <p>[Credit Events: [●]]</p> <p>[Issuer][Sponsor]: [●]</p> <p>[Price Source: [●]]</p> <p>[ISIN: [●]]</p> <p>Information on the historical and ongoing performance of the Reference Item [and its volatility] can be obtained [on the public website [●] and] on the [Bloomberg] [Reuters] page [●] [and at the offices of the relevant Issuer at [Piazzetta E. Cuccia, 1, 20121 Milan, Italy] [4, Boulevard Joseph II, L-1840 Luxembourg, Luxembourg].</p>

Section D – Risks

Element	Description of Element	Disclosure requirement
D.2	Key risks specific to the	There are certain factors that may affect each Issuer's ability to fulfil its obligations under Securities issued under the Programme. These include the following risk

	Issuer(s)	<p>factors related to the Mediobanca Group, its operations and its industry:</p> <ul style="list-style-type: none"> (i) The general economic conditions, the performance of financial markets, interest rate levels, currency exchange rates, changes in laws and regulation, changes in the policies of central banks, particularly the Bank of Italy and the European Central Bank, and competitive factors can change the level of demand for the relevant Issuer's products and services, the credit quality of borrowers and counterparties, the interest rate margin of the Issuers between lending and borrowing costs and the value of each of the relevant Issuer's investment and trading portfolios. (ii) The European sovereign debt crisis may adversely affect the Issuer's results of operations, business and financial conditions. (iii) The Mediobanca Group has exposure to European sovereign debt. (iv) Fluctuations in interest and exchange rates may affect each Issuer's results. (v) The financial results of the Issuer may be affected by general economic, financial and other business conditions. (vi) The credit and capital markets have been experiencing extreme volatility and disruption in recent months. (vii) Each of the Issuer's investment banking revenues, in the form of financial advisory and debt and equity underwriting fees, are directly related to the number and size of the transactions in which the relevant Issuer participates and may be impacted by continued or further credit market dislocations or sustained market downturns. (viii) In some of the businesses of each relevant Issuer, protracted adverse market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. (ix) In recent months, international and domestic markets experienced extreme volatility and disruption. If extreme volatility and disruption continue in the future, the Issuers' liquidity can be adversely affected. (x) If the Issuer is unable to continue to respond to the competitive environment in Italy with attractive product and service offerings that are profitable for the Issuers, it may lose market share in important areas of its business or incur losses on some or all of its activities. (xi) If existing or potential customers believe that the Issuer's risk management policies and procedures are inadequate, the Issuer's reputation, and to a certain extent its revenues and profits, may be negatively affected. (xii) Each of the Issuers, like all financial institutions, is exposed to many types of operational risk, including the risk of fraud by employees and outsiders, unauthorised transactions by employees or operational errors, including errors resulting from faulty computer or telecommunication systems. (xiii) Systemic risk could adversely affect the businesses of the Issuer. (xiv) The investors should note that the portfolio of the Issuer contains so-called "over the counter" (OTC) derivatives. If the financial condition of market counterparties or their perceived creditworthiness deteriorates further, the
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		<p>Mediobanca Group may record further credit valuation adjustments on the underlying instruments insured by such parties.</p> <p>(xv) A downgrade of Mediobanca's rating may limit Mediobanca's opportunities to extend mortgage loans and may have a particularly adverse effect on Mediobanca's image as a participant in the capital markets, as well as in the eyes of its clients.</p> <p>(xvi) Changes in the Italian, Luxembourg, and European regulatory framework could adversely affect the business of the Issuer.</p> <p>(xvii) Each of the Issuers may be subject to increased capital requirements.</p> <p>(xviii) The price or value of a Securityholder's investment in Securities and/or the ability of Mediobanca to satisfy its obligations under the Securities may be affected by the finalization and implementation of the Crisis Management Directive.</p>
D.6 ⁴	<p>Key risks specific to the securities</p>	<p>In addition, there are certain factors which are material for the purpose of assessing the risks related to the Securities.</p> <p>General</p> <p>(i) The Securities may not be a suitable investment for all investors. Investors should be aware that they may lose the value of their entire investment or part of it, as the case may be.</p> <p>(ii) An investment in the Securities, which are linked to the Reference Items, may entail significant risks not associated with investments in conventional securities such as debt or equity securities. Set out below is a description of the most common risks.</p> <p>Risks related to the structure of a specific issue of Securities</p> <p>(i) The Securities involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Investors should be prepared to sustain a partial or total loss of the purchase price of the Securities.</p> <p>(ii) Certain general risk factors related to the Securities referencing a Reference Item, including that the market price of the Securities may be volatile; that investors may receive no remuneration; that investors may lose all or a substantial portion of their principal in case of non-capital guaranteed Securities; that the Reference Items may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities or indices; that the timing of changes in a Reference Item may affect the actual yield to investors, even if the average level is consistent with their expectations; that with respect to Physical Delivery Securities, there is no assurance that the value of the Entitlement received will not be less than the trading price of the Securities; and Securities are of limited maturity and, unlike direct investments in a share, index, currency, debt instrument, fund, commodity or other asset, investors are not able to hold Securities beyond the Settlement Date in the expectation of a recovery</p>

⁴ By virtue of the Supplement dated 31 October 2017, the sub-paragraph (xiv) has been added to paragraph "Risk related to specific pay-outs applicable to the Certificates" on page 67 of the Base Prospectus.

		<p>in the price of the underlying.</p> <p>(iii) The Cash Settlement Amount (in the case of Cash Settled Securities) or the value of the Entitlement less (in the case of Warrants) the Exercise Price (the "Physical Settlement Value") (in the case of Physical Delivery Securities) at any time prior to expiration is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, a "time value" for the Securities.</p> <p>(iv) Prospective investors intending to purchase Securities to hedge against the market risk associated with investing in the Reference Item should recognise the complexities of utilising Securities in this manner.</p> <p>(v) Risks relating to Securities which are linked to emerging market Reference Item(s).</p> <p>(vi) Risks relating to Index Securities.</p> <p>(vii) Risks relating to the Proprietary Indices.</p> <p>(viii) Risks relating to Share Securities.</p> <p>(ix) Risks relating to Currency Securities.</p> <p>(x) Risks relating to Dual Currency Certificates.</p> <p>(xi) Risks relating to Debt Securities.</p> <p>(xii) Risks relating to Commodity Securities,</p> <p>(xiii) Risks relating to Fund Securities,</p> <p>(xiv) Certain considerations associated with Credit Securities, including that investors should note that Credit Linked Certificates differ from ordinary securities issued by the Issuer in that the amount of principal and remuneration payable by the Issuer is dependent on whether a Credit Event has occurred in respect of the relevant Reference [Entity][Entities], investors in Credit Linked Certificates will be exposed to the credit risk of the Reference [Entity][Entities], holders of Credit Linked Certificates will have a contractual relationship only with the Issuer and not with any obligor in respect of any Reference Obligation or any Reference Entity, any quotations used in the calculation of the Cash Settlement Amount may be affected by factors other than the occurrence of the Credit Event, some Reference Obligations may have no, or only a limited, trading market, the terms and conditions of Credit Linked Certificates do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions or the 2014 ISDA Credit Derivatives Definitions (together, the "Credit Derivatives Definitions") and there may be differences between the definitions used with respect to Credit Linked Certificates and the Credit Derivatives Definitions.</p> <p>(xv) Certain considerations associated with Securities providing for the application of a component weight.</p> <p>(xvi) Option Risk for Securities - the Securities are derivative financial</p>
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		<p>instruments which may include an option right and which, therefore, have many characteristics in common with options; transactions in options involve a high level of risk.</p> <p>(xvii) Certain considerations relating only to Warrants, including that in the case of any exercise of Warrants, there will be a time lag between the time a Warrantholder gives instructions to exercise, or the time the Warrant is automatically exercised, and the time the applicable Cash Settlement Amount (in the case of cash settled warrants) relating to such exercise is determined, the risks associated with Minimum Exercise Numbers and that there may be limitations on a Warrantholder's ability to exercise the Warrants.</p> <p>(xviii) Certain risks related to the remuneration applicable to the Securities.</p> <p>(xix) Risks relating to Barrier Events.</p> <p>Risks related to specific pay-outs applicable to the Certificates</p> <p>(i) Risks relating to the Protection Level.</p> <p>(ii) Risks relating to the Participation Factor.</p> <p>(iii) Risks relating to the Up Participation Factor and the Down Participation Factor.</p> <p>(iv) Risks relating to the Bonus Factor.</p> <p>(v) Risks relating to the Worst of Amount.</p> <p>(vi) Certain considerations associated with Certificates providing for the application of a cap to the Reference Item(s).</p> <p>(vii) Risks relating to the Twin Win Stop (European) and the Twin Win Stop (American).</p> <p>(viii) Risks relating to the Bonus Stop (European) and the Bonus Stop (American).</p> <p>(ix) Risks relating to the Airbag Certificates.</p> <p>(x) Risks relating to the Autocallable Barrier for the Memory Autocallable Certificates.</p> <p>(xi) Risks associated with the early redemption of the Memory Autocallable Certificates, Autocallable Certificates, Bonus Autocallable Certificates and Standard Long Autocallable Barrier Protected Certificates.</p> <p>(xii) Risks related to the Digital Level.</p> <p>(xiii) Risk related to the performance of the Reference Item within the Observation Period and/or the Remuneration Period, as the case may be, in respect of the Wedding Cake Certificates.</p> <p>(xiv) Risks relating to the memory effect associated with the Phoenix Remuneration in respect of Autocallable Certificates.</p>
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		<p>Risks related to Securities generally</p> <ul style="list-style-type: none"> (i) The Issuer may have an <i>option to vary settlement</i>. (ii) The Terms and Conditions of the Securities contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority. (iii) The Terms and Conditions of the Securities also provide that the Fiscal Agent and the relevant Issuer may, without the consent of Securityholders, agree to certain modifications to the conditions of the Securities. (iv) If an issue of Securities includes provisions dealing with the occurrence of a market disruption event or a failure to open of an exchange or related exchange, any consequential postponement of the Valuation Date or Averaging Date or any alternative provisions for valuation provided in any Securities may have an adverse effect on the value of such Securities. (v) Risks associated with a Settlement Disruption Event occurring with respect to physically settled Securities. (vi) A holder of Securities must pay all Expenses relating to such Securities. (vii) The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security by any person and all payments made by the relevant Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted. (viii) It is not possible to predict whether the taxation regime applicable to Securities on the date of purchase or subscription will be amended during the term of the Securities. (ix) If the relevant Issuer determines that its performance under any Securities has, or that any arrangements made to hedge the relevant Issuer's obligations under any Securities have become, (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable, the relevant Issuer may cancel such Securities. (x) The Terms and Conditions of the Securities are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus. (xi) The risks associated with the Securities being represented by one or more Global Securities, which will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. (xii) Risks associated with certain potential conflicts of interest. (xiii) The risks associated with it being impossible to know the amount of the
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		<p>Securities in circulation on the date of issue.</p> <p>(xiv) The impact on the price of the Securities if further tranches of Securities are issued.</p> <p>(xv) The risks associated with physical delivery requirements and settlement risk.</p> <p>(xvi) if applicable, the amount that Securityholders may receive in certain circumstances will be adjusted upwards or downwards to reflect the costs of unwinding any associated hedging transactions relating to the Securities.</p> <p>(xvii) the relevant Issuer and other financial institutions through which payments on the Securities are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Securities characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are not yet outstanding as of 1 January 2019 (the "Grandfathering Date"), or the date of publication in the Federal Register of final regulations defining the term "foreign pass thru payment" or are materially modified from that date and (ii) any Securities characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued, pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code or similar law implementing an intergovernmental approach to FATCA.</p> <p>Risks related to the market generally</p> <p>(i) Securities may have no established trading market when issued, and one may never develop. The Issuer has not any obligation to purchase the Securities from the Securityholders. However, should the relevant Issuer decide to purchase the Securities, the secondary market pricing that the relevant Issuer may provide on the Securities may reflect the unwinding cost of the hedging portfolio (if any).</p> <p>(ii) The Issuer will pay amounts in respect of the Securities in the Settlement Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Settlement Currency.</p> <p>(iii) Credit ratings may not reflect all risks.</p> <p>(iv) The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers.</p> <p>(v) Implicit fees (e.g. placement fees, direction fees, structuring fees) may be a component of the Issue/Offer Price of the Securities, but such fees will not be taken into account for the purposes of determining the price of the relevant Securities in the secondary market.</p> <p>(vi) The Issuer and/or other entities may have the right to withdraw the offer in relation to the Securities, which in such circumstances will be deemed to be null and void.</p> <p>(vii) It is not possible to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The</p>
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		<p>Issuer, or any of its Affiliates may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private agreement.</p> <p>(viii) Mediobanca will use all reasonable endeavours to maintain the listing of the Securities, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then Mediobanca may apply to de-list the relevant Securities.</p>
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Section E – Offer

Element	Description of Element	Disclosure requirement
E.2b	Reasons for the offer and use of proceeds	The net proceeds of the issue of each Tranche of Securities will be used for the general corporate purposes of the relevant Issuer.
E.3	Terms and conditions of the offer	The offer to invest in the Securities is made from [●] to [●]. [The maximum and minimum amount of application is [●] and [●], respectively.] Payments by investors in respect of the purchase of the Securities shall be made by [●]. The results of the offer will be published in [●] on [●]. The Global Securities will be delivered to the relevant clearing system no later than on the Issue Date.
E.4	Material interests in the offer	[Not applicable. There are no material interests with respect to the issue and/or offer of Securities (including any conflicting interests).] [The following constitute material interests with respect to the issue and/or offer of Securities: [●].]
E.7	Estimated expenses	[Not applicable - No expenses will be specifically charged to the investors who purchase Securities by the Issuer.][A [●] fee of [●] shall be payable by the investors who purchase Securities to [●].] [●]

"RISK FACTORS"

- 1) The following risk factor "*Risk in connection with the exposure of the Mediobanca Group to Eurozone sovereign debt*" shall replace the risk factor "*Risk in connection with the exposure of the Mediobanca Group to Eurozone sovereign debt*" set out in the section "*Risk Factors*" on page 74 of the Base Prospectus:

Risks in connection with the exposure of the Mediobanca Group to Eurozone sovereign debt

In carrying out its activities, the Mediobanca Group holds substantial volumes of public-sector bonds, including bonds issued by European countries. The Group's total exposure in this respect as at 30 June 2017 is set out in the tables A.1.2.a and A.1.2.b of Part E of the audited consolidated annual financial statements of Mediobanca as at and for the year ended 30 June 2017 incorporated by reference into this Base Prospectus. This could give rise to operational disruptions to the Mediobanca Group's business.

Furthermore, Mediobanca is affected by disruptions and volatility in the global financial markets. In particular, Mediobanca's credit ratings are potentially exposed to the risk of reductions in the sovereign credit rating of Italy. On the basis of the methodologies used by rating agencies,

further downgrades of Italy's credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as Mediobanca.

Thus, any negative developments in the Mediobanca Group's sovereign exposure could adversely affect its results of operations, business and financial condition.

- 2) The risk factor "*Risks associated with the early redemption of the Memory Autocallable Certificates, Autocallable Certificates, Bonus Autocallable Certificates and the Standard Long Autocallable Barrier Protected Certificates*" set out in sub-paragraphs (x) and (xi) of sub-section 2) (C) of the section "*Risk Factors*" on page 120 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

(xi) *Risk related to the early redemption for the Memory Autocallable Certificates, Autocallable Certificates, Bonus Autocallable Certificates and the Standard Long Autocallable Barrier Protected Certificates*

The Memory Autocallable Certificates, the Autocallable Certificates, the Bonus Autocallable Certificates and the Standard Long Autocallable Barrier Protected Certificates provide for an automatic early redemption if on certain dates the settlement price of the underlying asset is: (a) equal to or greater than a certain level (the Strike Level or the Early Redemption Level, as the case may be) in respect of Memory Autocallable Certificates, the Bonus Autocallable Certificates and the Standard Long Autocallable Barrier Protected Certificates; (b) either (i) equal to or greater than or (ii) equal to or lower than – as specified in the applicable Final Terms – a certain level (the Strike Level) in respect of Autocallable Certificates. In such cases, investors should be aware that they might not be able to reinvest the proceeds arising from the early redemption in order to obtain an actual return equal to the one that would have been applied to the redeemed Certificates. Potential investors should take into account the risk of reinvestment in light of the investment options, which are available at that moment on the market.

- 3) The following risk factor shall be added in sub-section 2 (C) of the section "*Risk Factors*" on page 120 of the Base Prospectus:

(xiii) *Risks relating to the memory effect associated with the Phoenix Remuneration in respect of Autocallable Certificates*

If the Certificates are Autocallable Certificates and Phoenix Remuneration is specified as being applicable in the relevant Final Terms, in the event that the Final Reference Level on any Remuneration Payment Date or on the Exercise Date, as the case may be, is either (i) equal to or greater than, or (ii) equal to or lower than – as specified in the applicable Final Terms – the Barrier Level, the relevant Remuneration Amount to be paid in accordance with Condition 22 will be increased by a factor reflecting the number of previous consecutive Remuneration Payment Dates to which no Remuneration Amount was paid. There is no guarantee that the relevant Remuneration Amount will reflect a market rate and the value of the Certificates may substantially decrease. Furthermore, there is no guarantee that the Final Reference Level will be equal to or greater than, or equal to or lower than, as the case may be, the Barrier Level, in which case the Remuneration Amount payable under the Certificates may be zero.

“DOCUMENTS INCORPORATED BY REFERENCE”

The following section “Document incorporated by reference” shall replace the section

“Document incorporated by reference” set out on pages 131 of the Base Prospectus:

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus:

- the audited consolidated annual financial statements as at and for the years ended 30 June 2017 and 2016 of Mediobanca;
- the audited non-consolidated annual financial statements as at and for the years ended 30 June 2017 and 2016 of Mediobanca International;
- the Terms and Conditions of the Securities (pages 157-265) set out in the Base Prospectus dated 23 March 2016 relating to the Issuance Programme of Mediobanca and Mediobanca International;
- the Terms and Conditions of the Securities (pages 131 – 291) set out in the Base Prospectus dated 23 December 2014 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International;
- the Terms and Conditions of the Securities (pages 122 – 201) set out in the Base Prospectus dated 12 March 2013 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International; and
- the Terms and Conditions of the Securities (pages 215 – 268) set out in the Base Prospectus dated 30 November 2011 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International.

in the case of the above-mentioned financial statements, together with the accompanying notes and (where applicable) auditor's reports, save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference by way of supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement.

The Issuers will provide, without charge to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Request for such documents should be directed to the Issuers at their offices set out at the end of this Base Prospectus. In addition, such documents will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Mediobanca's website (<https://www.mediobanca.com/en/investor-relations/results-presentations/index.html> with respect to the financial information and <http://raccoltaproprietaria.mediobanca.it/en/documents/index.html> with respect to the remaining documents listed above) and on the Mediobanca International's website (<http://www.mediobanca.it/en/about-us/locations/luxembourg.html>).

The following table shows where some of the information required under Annex IV and XI of Commission Regulation (EC) No. 809/2004, as amended, can be found in the above mentioned

documents incorporated by reference. Any information contained in the documents incorporated by reference but not set out below is given for information purposes only.

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant annexes of Regulation (EC) No. 809/2004, as amended.

Cross-reference list in respect of the Mediobanca and Mediobanca International financial statements

Mediobanca - Consolidated annual financial statements

Commission Regulation (EC) No. 809/2004, Annex XI,	2017	2016
Paragraph 11.1		
Balance sheet	Pages 76-77	Pages 66-67
Statement of income	Pages 78-79	Page 68-69
Statement of changes in equity	Pages 80-81	Page 70-71
Cashflow statement	Pages 82-83	Pages 72-73
Accounting policies and explanatory notes	Pages 85-277	Pages 78-258
Auditors' reports	Pages 65-75	Pages 62-63 [Pages 56-57 pdf document]

Mediobanca International - Non-Consolidated annual financial statements

Commission Regulation (EC) No. 809/2004, Annex XI,	2017	2016
Paragraph 11.1		
Statement of financial position	Page 32	Page 28
Statement of comprehensive income	Page 33	Page 29
Cashflow statement	Page 36	Page 32
Statement of changes in equity	Pages 34-35	Pages 30-31
Accounting policies and explanatory notes	Pages 41-151	Pages 34-150
Auditors' reports	Pages 23-29	Pages 24-25

"TERMS AND CONDITIONS"

- 1) Condition 21(xiii) ("*Autocallable Certificates*") set out on page 264 of the Base Prospectus shall be deleted in its entirety and replaced as follows:
 - a) If "*Autocallable Certificates*" is specified as being applicable in the Final Terms, the

Certificates shall be automatically redeemed early on a Barrier Exercise Date at their Notional Amount, plus any Remuneration Percentage accrued up to such date, if on such date the Final Reference Level is either (i) equal to or greater than or (ii) equal to or lower than – as specified in the applicable Final Terms – the Strike Level. In such event, the Cash Settlement Amount shall be paid on the third Business Day following such Barrier Exercise Date and will be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following:

$$\text{Notional Amount} * (1 + \text{Remuneration Percentage}_t)$$

- b) If the Certificates have not been automatically early redeemed as described above, the Cash Settlement Amount will be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following:

- 1) *If the Final Reference Level is (i) equal to or greater than or (ii) equal to or lower than – as specified in the applicable Final Terms – the Barrier Level on the Valuation Date, the Cash Settlement Amount will be equal to:*

$$\text{Notional Amount} * (1 + \text{Remuneration Percentage}_t)$$

- 2) *If the Final Reference Level is either (i) lower than, or (ii) greater than – as specified in the applicable Final Terms – the Barrier Level on the Valuation Date, the Cash Settlement Amount will be equal to:*

$$\text{Notional Amount} * \text{Participation Factor} * \left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right)$$

where

"**Remuneration Percentage_t**" means the Remuneration Percentage for the Remuneration Period_t;

"**Remuneration Period_t**" means the Remuneration Period in which the automatic early redemption event described under a) above has occurred.

For the purpose of this Condition 21(xiii), any Remuneration Percentage shall be paid in accordance with Condition 22(C) (*Payment of Remuneration Amount*).

- 2) The definition of "*Remuneration Amount*" set out in "*Condition 22 ((O) – Definitions*)" on page 280 of the Base Prospectus shall be supplemented as follows:
- (f) If the Certificates are Autocallable Certificates, and Phoenix Remuneration is specified as being applicable in the relevant Final Terms, the Remuneration Amount payable on each Remuneration Payment Date or, as the case may be, on the Exercise Date, shall be an amount calculated by the Calculation Agent in its sole discretion as follows[, and rounded in accordance with Condition 22(H) (*Rounding*)]:
- 1) *If, on the relevant Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level is either (i) equal to or greater than or (ii) equal to or lower than – as specified in the applicable Final Terms – the Barrier Level, the Remuneration Amount shall be equal to:*

$$\text{Max} \{0; \text{Notional Amount} * [\text{Participation Factor} * ((i * \text{Remuneration Rate}) - \text{Sum Remuneration Rate(s) Paid})]\}$$

2) *If, on the relevant Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level is either (i) lower than or (ii) greater than – as specified in the applicable Final Terms – the Barrier Level, the Remuneration Amount shall be equal to zero.*

where

"i" means the number of all the Remuneration Payment Dates plus, as the case may be, the Exercise Date, from the Issue Date up to, and including, the Remuneration Payment Date or the Exercise Date, as the case may be, on which the Remuneration Amount is paid.

"**Sum Remuneration Rate(s) Paid**" means the sum of the Remuneration Rates which have been paid in respect of all the Remuneration Payments Dates from the Issue Date up to, and excluding, the Remuneration Payment Date or the Exercise Date, as the case may be, on which the Remuneration Amount is paid.

“INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.” SECTION

The following section "Information on Mediobanca – Banca di credito Finanziario S.p.A." shall replace the section "Mediobanca – Banca di credito Finanziario S.p.A." on pages 368-387 of the Base Prospectus:

INFORMATION ON MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A.

History and development of Mediobanca

Legal status and information

Mediobanca – Banca di Credito Finanziario S.p.A. was set up on 10 April 1946 by virtue of a notarial deed drawn up by Notary public Arturo Lovato, file no. 3041/52378. Mediobanca is a joint stock company incorporated under Italian law registered in the Milan Companies' Register under Registration no. 00714490158 having its registered office and administrative headquarters in Piazzetta Enrico Cuccia 1, 20121 Milan, Italy, tel. no.: (0039) 02-88291. In accordance with its by-laws, the duration of Mediobanca is until 31 June 2050. Mediobanca operates under Italian law, and the court of Milan has jurisdiction over any disputes arising against it.

Important events in Mediobanca's recent history

Since 30 June 2017 there have been no negative changes either to the financial position or prospects of either Mediobanca or the Group headed up by it.

Neither Mediobanca nor any company in the Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect, Mediobanca's ability to meet its obligations towards third parties.

As at the date of this Base Prospectus, S&P rated Mediobanca A-3 (short-term debt), BBB- (long-term debt) and stable (outlook); as at the date of this Base Prospectus, Fitch Ratings Limited rated Mediobanca F2 (short-term debt), BBB (long-term debt) and stable (outlook) – see <https://www.mediobanca.com/en/investor-relations/financing-rating/rating.html>.

For an explanation of the rating given by Standard & Poor's please see below the Standard & Poor's rating scale:

<p style="text-align: center;">LONG TERM</p> <p style="text-align: center;">obligations with an original maturity of more than one year</p>	<p style="text-align: center;">SHORT TERM</p> <p style="text-align: center;">obligations with an original maturity of no more than one year</p>
<p style="text-align: center;">Investment grade</p> <p>AAA The obligor's capacity to meet its financial commitment on the obligation is extremely strong.</p> <p>AA The obligor's capacity to meet its financial commitment on the obligation is very strong. An obligation rated 'AA' differs from the highest-rated obligations only to a small degree.</p> <p>A The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.</p> <p>BBB The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p>	<p style="text-align: center;">Investment grade</p> <p>A-1 The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.</p> <p>A-2 The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.</p> <p>A-3 The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p>
<p style="text-align: center;">Speculative grade</p> <p>BB The obligation is less vulnerable to non-payment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p> <p>B The obligation is more vulnerable to non-payment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.</p> <p>CCC The obligation is currently vulnerable to non-payment, and is dependent upon favourable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.</p>	<p style="text-align: center;">Speculative grade</p> <p>B The obligation is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p> <p>B -1 The obligation is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>B -2 The obligation is regarded as having significant speculative characteristics, and the obligor has an average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p>

<p>CC</p> <p>The obligation is currently highly vulnerable to non-payment.</p> <p>C</p> <p>A 'C' rating is assigned to obligations that are currently highly vulnerable to non-payment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default.</p> <p>D</p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period.</p>	<p>B -3</p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>C</p> <p>The obligation is currently vulnerable to non-payment and is dependent upon favourable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.</p> <p>D</p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period</p>
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(Source: Standard & Poor's)

NB: rating from "AA" to "CCC" inclusive can be modified by adding the "+" or "-" sign to specify the position.

For an explanation of the rating given by Fitch please see below the Fitch rating scale:

<p>LONG TERM</p> <p>Obligations with an original maturity of more than one year</p>	<p>SHORT TERM</p> <p>Obligations with an original maturity of less than one year</p>
<p style="text-align: center;">Investment grade</p> <p>AAA</p> <p>Denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.</p> <p>AA</p> <p>Denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.</p> <p>A</p> <p>Denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher.</p> <p>BBB</p> <p>Indicate that expectations of default risk are currently low. The capacity for payment of financial commitments</p>	<p style="text-align: center;">Investment grade</p> <p>F-1</p> <p>Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.</p> <p>F-2</p> <p>Good intrinsic capacity for timely payment of financial commitments.</p> <p>F-3</p> <p>The intrinsic capacity for timely payment of financial commitments is adequate.</p>

<p>is considered adequate but adverse business or economic conditions are more likely to impair capacity.</p>	
<p style="text-align: center;">Speculative grade</p> <p>BB</p> <p>Indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists which supports the servicing of financial commitments.</p> <p>B</p> <p>Indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.</p> <p>CCC</p> <p>Default is a real possibility.</p> <p>CC</p> <p>Default of some kind appears probable.</p> <p>C</p> <p>Default is imminent or inevitable, or the issuer is in standstill.</p> <p>RD</p> <p>Indicate an issuer that in Fitch Ratings' opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding up procedure, or which has otherwise ceased business.</p>	<p style="text-align: center;">Speculative grade</p> <p>B</p> <p>Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.</p> <p>C</p> <p>Default is a real possibility.</p> <p>RD</p> <p>Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Applicable to entity ratings only.</p> <p>D</p> <p>Indicates a broad-based default event for an entity, or the default of a short-term obligation.</p>

To the knowledge of Mediobanca, S&P Global Ratings S&P acting through Global Ratings Italy S.R.L. (Standard & Poor's Financial Services LLC) (“S&P”) is a credit rating agency which is established in the European Union and has been registered in accordance with Regulation 1060/2009/EC on credit rating agencies (as amended from time to time) (the “CRA”). As such S&P is included in the latest list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA – see [www.esma.europa.eu/page/List-registered-and-certified -CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs).

To the knowledge of Mediobanca, Fitch Italia S.p.A. (Fitch Ratings Limited) is a credit rating agency which is established in the European Union and has been registered in accordance with Regulation 1060/2009/EC on credit rating agencies (as amended from time to time) (the “CRA”). As such Fitch is included in the latest list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA – see [www.esma.europa.eu/page/List-registered-and-certified -CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs).

Further recent events

Notice of call of Mediobanca ordinary shareholders' meeting

On 14 September 2017, notice has been given that Mediobanca ordinary shareholders' meeting has been convened on 28 October 2017 to, inter alia (i) approve Mediobanca separate financial statements as at and for the financial year ended 30 June 2017, together with the relevant reports, (ii) resolve upon the distribution of a gross dividend of €0.37 per share; (iii) appoint the Board of Directors; (iv) appoint the Board of Statutory Auditors; (v) approve the remuneration policies and (vi) increase the compensation payable to external auditors in respect of the audit of Mediobanca financial statements for the 2017-2021 period.

Appointment of Mediobanca Chief Financial Officer

On 15 September 2017, the Board of Directors appointed Mr Emanuele Flappini as Head of Company Financial Reporting with effect from 30 September 2017, subject to the Board of Statutory Auditors' favourable opinion. Mr Emanuele Flappini has worked for Mediobanca since 1998 and is currently head of Accounting and Financial Reporting. He will replace Massimo Bertolini who will take up the role of Head of Group Corporate Affairs and Group Treasury. Mr Emanuele Flappini does not own any shares of Mediobanca.

Business Overview

The Mediobanca Group's operations are segmented as follows:

- ***Corporate & Investment Banking (CIB)***: this division brings together all services provided to corporate clients:
 - *Wholesale Banking*: Client Business (lending, advisory, capital markets activity) and proprietary trading;
 - *Specialty Finance*, which comprises factoring (MBFacta) and credit management (Creditech).
- ***Consumer Banking (CB)***: this division provides retail clients with the full range of consumer credit products, ranging from personal loans to salary-backed finance (Compass and Futuro);
- ***Wealth Management (WM)***: this new division brings together all asset management services offered to the following client segments:
 - *Affluent & Premier*, addressed by CheBanca!;
 - *Private & HNWI*, addressed in Italy by Banca Esperia (now 100%-owned) and Spafid, and in the Principality of Monaco by Compagnie Monégasque de Banque.

This division also comprises Mediobanca Asset Management, the product factory which Mediobanca intends to set up to serve the MB Group sale networks by leveraging on existing capabilities: Cairn Capital (alternative AM), Duemme SGR (formerly Esperia), and Compagnie Monégasque de Gestion (CMG, formerly CMB).

- ***Principal Investing (PI)***: this division brings together the Group's portfolio of equity investments and holdings, including the stake in Ass.Generali
- ***Holding Functions***: this division houses the Group's Treasury and ALM activities (which

previously were included in the CIB division), with the objective of optimizing management of the funding and liquidity processes; it also includes all costs relating to Group staffing and management functions, most of which were also previously allocated to CIB; and continues to include the leasing operations.

This new segmentation, in force since 16 November 2016, was approved in conjunction with the guidelines for the 2016/19 strategic plan with a view to seizing opportunities deriving from the current competitive scenario and prioritizing development of the new Wealth Management division.

In addition, in the course of FY 2016/17 Mediobanca completed the acquisition of the other 50% of Banca Esperia which it did not already own from the Mediolanum group. The acquisition forms part of the Group's strategy to grow its presence in the private (WM) and MidCaps (CIB) segments, which represent the two main guidelines of the plan approved.

Integration of Banca Esperia will enable the Mediobanca Group to:

- Reshape its private banking service offering in Italy, by creating the new Mediobanca Private Banking brand;
- Empower its platform for services to Mid-Corporate clients as part of its CIB activities;
- Enhance the Group's integrated product offering: synergies to be achieved with Spafid in management of fiduciary services, with CheBanca! for traditional banking products, with Mediobanca AM in extending the services offered by Banca Esperia's product factory Duemme SGR to the whole Group;
- Deliver major cost synergies.

As at 30 June 2017, Mediobanca had a market capitalization of approx. €7.6bn.

Consolidated financial information as at 30/6/17

Profit and loss account (€m)	Corporate & Investment Banking	Consumer	Wealth Management	Principal investing	Holding Functions	Totale
Net interest income	292.6	818.1	244.1	(7.1)	(76.3)	1,287.8
Total income	635.9	936.2	459.5	273.2	(56.5)	2,195.6
Profit before tax	377.5	380.1	66.8	429.3	(341.7)	914.0
Net profit	253.9	258.2	55.0	422.1	(241.8)	750.2

Wholesale Banking

Mediobanca seeks to provide its corporate clients with advisory services and financial services they to help them grow and develop.

The wholesale banking division comprises three different units: Corporate finance, Lending and structured finance, Capital markets.

1. Corporate finance

Mediobanca is the leader in Italy and has an increasingly significant role in financial advisory services at the European level through its branches in London, Paris, Frankfurt, Madrid and Istanbul. A client-based approach is adopted, backed by indepth knowledge of the financial issues and a consolidated track record in executing deals. The operating unit is organized into different industry teams covering individual industries in order to provide greater focus.

- Corporate finance involves the following activities:
- Defining strategic objectives for companies and identifying extraordinary financing transactions in order to help meet them;
- Extraordinary financing transactions: mergers and acquisitions, joint ventures and partnerships, disposals and spinoffs;
- Liability restructuring: earnings/financial analysis of companies/groups undergoing restructuring; working out financial rebalancing scenarios; negotiating with key creditors;
- Corporate restructuring: LBOs, MBOs, spinoffs and tax-/inheritance-related issues;
- Company valuations, on a standalone basis and for purposes of setting exchange ratios;
- Relations with authorities: assistance in handling relations with market and regulatory authorities, principally Consob and Borsa Italiana.

2. Lending & Structured Finance

The Financing teams serve Mediobanca's Italian and international customers, through the branch offices located in Paris, Frankfurt, London, Madrid and Istanbul, to offer:

- Advice in evaluating possible capital structures and financing solutions available from among a vast series of debt products, including considering possible implications in terms of rating;
- Structuring and executing lending transactions;
- Access to the international syndicated loans market;
- Facility and security agent services for corporate and structured lending transactions.

The principal Lending & Structured Finance area products are:

- **Corporate Lending** (bilateral loans, club deals and syndicated loans): corporate loans aimed at supporting customers' financial requirements generated by investments or related to their companies' growth; the financial solutions offered are aimed primarily at medium-/large-sized firms operating on domestic and international markets, in industrial and service-based sectors.
- **Structured Finance** (acquisition finance, loans for LBO/MBOs, project finance, infrastructure finance, real estate finance): financial support to corporate counterparties and institutional investors as part of leveraged transactions to acquire stakes in listed and unlisted companies; a wide range of lending transactions are developed, arranged, structured, underwritten and executed based on complex structures, and because of their

size these are often syndicated on the international market. On the back of its solid track record in various sectors, customers are provided with advisory services covering the entire process of structuring deals to support investment and infrastructure or industrial projects, including offering strategies, selection of the most effective debt instruments, hedging strategies, financial modelling and structuring contracts.

- **Factoring** (with and without recourse, maturity, and supply credit): sale and discount of trade receivables to help refinance companies' working capital. As well as the financial benefits, factoring can also provide insurance (guarantee against insolvency or delays in payments) and facilitate operations (credit management, accounting, collection and recovery).

3. Capital Markets

Mediobanca operates on both the primary and secondary markets, trading equities and fixed-income securities, foreign exchange products and credit risk, interest rate and exchange rate derivatives.

In the **equity** market (primary and secondary), activity is divided into the following areas:

- **Equity capital markets:** Mediobanca is the Italian leader and has a role of increasing importance internationally in structuring, co-ordinating and executing equity capital markets transactions, such as IPOs, rights issues, secondary offerings and ABOs, and bonds convertible into equity solutions (equity derivatives to manage investments and treasury shares): this unit structures and implements extraordinary financing transactions involving equity investments and treasury shares; using a dedicated trading platform, the team offers customers innovative, high value-added solutions, and also handles any legal, accounting, tax and regulatory issues;
- **Equity finance** (securities lending, equity repos, collateralized financing): the unit offers tailored securities lending solutions, which range from simple loans to hedge short-/medium-term positions, to equity repos, to upgrades and collateralized financing;
- **Equity derivatives institutional marketing:** a range of equity-linked investments are offered to banks, insurances, asset managers and family offices, from synthetic replications of simple underlying assets to sophisticated protection mechanisms and solutions for increasing the return on portfolios, funded or unfunded;
- **MB Securities:** this is Mediobanca's equity brokerage division, offering global access to equity markets and research on the Italian market (over 100 companies are covered), plus a pan-European focus on the financials sector (banks and insurances); a dedicated team also offers corporate broking services.

As for the **debt** market, the activity is divided into the following areas of operation:

- **Debt capital market:** this team originates, structures, executes and places corporate and financial bond issues, covered bonds and securitizations to meet its customers' financing needs.
- **CRAL Solutions:** this area structures solutions based on interest rates, credit and alternative products; it targets corporate clients, banks and institutional investors who need to restructure their investment portfolios, increase asset liquidity and diversify their

sources of funding. Advisory services and structuring ad hoc solutions for alternative investments targets institutional investors.

- **Proprietary funding:** this team is responsible for structuring, issuing and placing debt products, the revenues from which finance the Bank's own activities. Fund raising, supported by the Bank's high credit rating, takes place primarily through the issuance of securities, both plain vanilla and structured. Securities are placed with retail investors through public offers (executed using the CheBanca! owned network, and via networks of individual banks – including that of BancoPosta – either on an exclusive basis or via groups of banks in syndicates), and direct sales are made over the screen-based bond market (MOT) operated by Borsa Italiana. Demand from institutional investors is met via public offers of securities on the Euromarket and private placements of products customized to meet the subscribers' specific needs.

Specialty Finance

Our Specialty Finance activities include managing and financing credit and working capital. We have operations in factoring with MBFacta and in the credit management sector with MBCredit Solutions.

- **MBCredit Solutions** has for many years performed credit recovery activities (on behalf of the Group companies and third parties) and NPL portfolio acquisitions. The 2016-19 strategic plan envisages the company growing from niche operator to leading player in the credit management sector (servicing inter alia for third parties) and in the acquisition of non-performing loans (NPLs).
- **MBFacta** provides trade receivables sale and discount services (with and without recourse, maturity, supply credit) to refinance corporate working capital. As well as the financial benefits, this service can also include an insurance component (guarantee against insolvency or delays in payments) and/or a management component (portfolio management, accounting, collection and recovery). The factoring platform's factoring offering will be tailored specifically to developing the Mid Corporate segment in synergy with the other services offered by CIB to this category of firm.

Consumer Credit - Compass

Mediobanca has operated in the consumer credit sector since the 1960s through its subsidiary Compass.

Compass today is one of the leading consumer credit operators on the Italian market, with a market share of 10.5%.

Compass offers a wide range of products (personal loans, special purpose loans for acquisition of consumer durable goods, credit cards and salary-backed finance), using a highly diversified distribution network consisting of some 166 own branches, distributing agreements with banking partners and retailers, and BancoPosta.

As at the balance-sheet date it had approx. €11.8bn in loans outstanding, plus a total of 1,405 staff on the books.

Affluent & Premier - CheBanca!

Mediobanca has been operative in retail banking through CheBanca!. This subsidiary, launched

in 2008, effectively served as retail deposit gatherer for the Mediobanca Group throughout the financial crisis. In the last three years it has developed a distribution model which is innovative, transparent and with high technology content, while at the same time refocusing its mission from deposit gather to asset gatherer, raising €4bn in AUM (€7bn including the recent acquisition of Barclays' Italian retail activities⁵) and breaking even at the operating level.

Today CheBanca! is distinguished by its:

- High brand recognition;
- Effective, innovative multi-channel distribution (internet, 141 own branches, direct banking);
- Simple, transparent products;
- Substantial customer base (approx. 800,000 customers);
- Strong commercial results: €13.4bn in deposits, €7.1bn in assets under management, and €7.5bn in mortgages disbursed.

At 30 June 2017 the company employs a total of 1,401 staff.

In the past next years, CheBanca! will leverage on its competitive advantage as first mover to seal its definitive transformation to wealth manager focused on the affluent and premier client bracket. In detail the bank will seek to:

- Valorize the business acquired from Barclays in Italy, starting with the 220,000 clients acquired, optimizing the distribution network and using the €240m in badwill received to cover restructuring costs and relaunch commercial activities;
- Strengthen its proprietary distribution network while maintaining its unique market position (advisory approach integrated with cutting-edge technology infrastructure in distribution via digital channels);
- Construct a new network of financial advisors, destined to increase assets under management further in the medium term.

Private & HNWI

The range of services offered to clients is split between.

- **Banca Esperia**, as from this year 100%-owned by the Group, will be merged into Mediobanca and will offer private banking services under the Mediobanca brand. The 75 bankers and eleven branches at the same time will work to develop their asset management activity and the mid-cap platform, acting as a bridge between corporate and private activities in conjunction with Spafid, the Mediobanca Group multi-family office. The Banca Esperia product offering for high net worth clients includes portfolio management, advisory and financing services. Independence, operational autonomy, focus on private banking activities, and excellence and quality of service, are the hallmarks of a bank which has approx. €19bn in assets under management at its branches in Bergamo, Bologna, Brescia, Cesena, Florence, Genoa, Milan, Padua, Parma, Rome,

Turin and Treviso.

- **Compagnie Monégasque de Banque ("CMB")** is 100%-owned by Mediobanca. CMB is market leader in the Principality of Monaco, with total deposits of approx. €10bn. Its geographical position, indepth knowledge of markets and absolute independence make it a player of primary importance, able to provide exclusive services to its clientèle, ranging from loans to asset management.
- **Spafid**, 100%-owned by Mediobanca, this company provides fiduciary administration services in respect of equity investments, securities market investments and fiduciary services for issuers. Spafid currently has assets under administration worth some €4bn.

MB Asset Management

As part of the reorganization of the Wealth Management division, a new MB Asset Management product factory has been set up bringing together Cairn Capital, Duemme SGR (formerly Banca Esperia) and Compagnie Monégasque de Gestion (formerly CMB). In this division the individual companies' support units will be centralized (Human Resources, Legal and Compliance, etc.) and a dedicated sales force will be set up with responsibility for distribution of all product lines.

- Cairn Capital, a 51% stake having been acquired in this company in December 2015. Cairn Capital is the largest company in this division, and is an asset manager and advisor based in London specializing in credit products. Assets managed by the company total some €2.5bn, plus a further €3.9bn under long-term advice.

Principal investing

Mediobanca has an equity portfolio of investments made over time, consisting of minority stakes in leading Italian and international companies, most of which are listed. As a result of the recent introduction of tighter regulations on regulatory capital and the Bank's desire to concentrate more on highly-specialized banking activities, this portfolio of investments is in the process of being reduced. Disposals were completed during the course of FY 2016/17: stakes worth approx. €340m were sold, yielding gains of almost €160m. In view of the size of the investments and the role played by Mediobanca in the governance of the companies concerned, the shareholdings in Generali, RCS MediaGroup and Atlantia are assigned to the Principal investing division.

Company	Sector	% of share capital	Book value as at 30/6/17 €m
Assicurazioni Generali	Insurance	13.0%	2,997
RCS Mediagroup	Publishing – media	6.6%	42
Atlantia	Infrastructure	1.4%	276

Leasing

Mediobanca owns a direct 60% stake in the SelmaBipiemme Leasing group, with the other 40% held by the Banca Popolare di Milano. The group operates in financial leasing.

In the twelve months to 30 June 2017, the Group disbursed some €410m in leases, on leases outstanding totalling approx. €2.3bn.

As at 30 June 2017 the headcount numbered 144 staff

Brief description of the Mediobanca's principal activities, with an indication of the main categories of products sold and/or services provided

As stated in Article 3 of the Company's Articles of Association, the Company's purpose is to raise funds and provide credit in any of the forms permitted, especially medium- and long-term credit to corporates.

Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's purpose.

Save as described below, there are no significant new products and/or services that have been introduced and no development of new products and services has been disclosed..

Principal markets

The Mediobanca Group's activities are principally focused on the domestic market (from a geographical standpoint Italy accounts for approx. 80% of the Group's loan book). In particular:

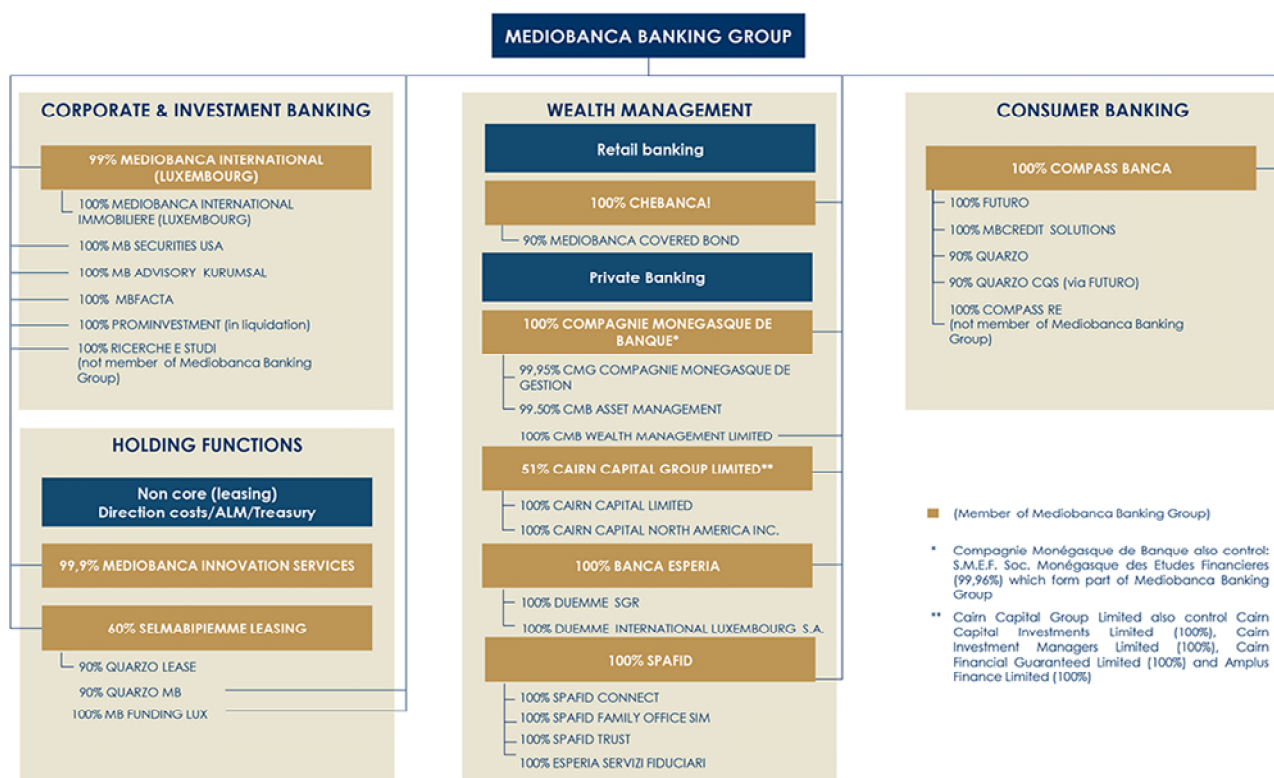
- Corporate & Investment Banking (CIB): half the revenues and loan book for this division is originated by the Italian market, the other half by other countries (notably France, Germany, Spain and the United Kingdom): the division employs some 590 staff, around 160 of whom are based outside Italy;
- Consumer banking: activities focus exclusively on the Italian market, and employ approx. 1,400 staff at more than 160 branches;
- Wealth Management (WM): this division's activity is focused primarily on the Italian market, with the exception of CMB (which operates in the Principality of Monaco) and Cairn Capital (which operates in the United Kingdom); and employs over 2,000 staff at over 140 branches;
- Leasing activities chiefly target the domestic market.

ORGANIZATIONAL STRUCTURE

Description of organizational structure of group headed up by Mediobanca

The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.

The following diagram illustrates the structure of the Mediobanca Group as at the date of this Base Prospectus.



SUBSIDIARIES AND MAIN INVESTEE COMPANIES

Mediobanca is the parent company of the Mediobanca Banking Group. No individual or entity controls Mediobanca within the meaning of Article 93 of the Financial Services Act.

A list of the main Group companies included in the area of consolidation for the consolidated financial statements as at the date of this document is shown below:

Group companies			
COMPASS S.p.A.	Italy	100%	(dir)
CHEBANCA! S.p.A.	Italy	100%	(dir)
SELMABIPIEMME LEASING S.p.A.	Italy	60%	[...]
Compagnie Monegasque de Banque S.A.M.	Principality of Monaco	100%	(dir)
MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.	Luxembourg	99%	(dir)
SPAFID S.p.A.	Italy	100%	(dir)
SPAFID TRUST s.r.l.	Italy	100%	(indir)
ESPERIA SERVIZI FIDUCIARI S.p.A.	Italy	100%	(indir)
SPAFID CONNECT S.p.A.	Italy	100%	(indir)
MEDIOBANCA SECURITIES USA LLC	United States	100%	(dir)
BANCA ESPERIA S.p.A.	Italy	100%	(dir)

DUEMME SGR S.p.A.	Italy	100%	(indir)
DUEMME INTERNATIONAL (LUXEMBOURG) S.A.	Luxembourg	100%	(indir)
MBCREDIT SOLUTIONS S.p.A.	Italy	100%	(indir)
RICERCHE E STUDI S.p.A.	Italy	100%	(dir)
Mediobanca Innovation Services S.c.p.A	Italy	99.95%	(dir)
FUTURO S.p.A.	Italy	100%	(indir)
PROMINVESTMENT S.p.A. in liquidation	Italy	100%	(dir)
MBFACTA S.p.a.	Italy	100%	(dir)
QUARZO S.r.l.	Italy	90%	(indir)
MEDIOBANCA COVERED BOND S.r.l.	Italy	90%	(indir)
QUARZO LEASE S.r.l.	Italy	90%	(indir)
QUARZO CQS S.r.l.	Italy	90%	(indir)
C.M.B. ASSET MANAGEMENT S.A.M.	Principality of Monaco	99.30%	(indir)
C.M.G. COMP. MONEG. D.G. S.A.M.	Principality of Monaco	99.92%	(indir)
S.M.E.F. SOC. MONEG. DE ET.FIN. S.A.M.	Principality of Monaco	99.96%	(indir)
CMB WEALT MANAGEMENT	Principality of Monaco	100%	(dir)
QUARZO MB S.r.l.	Italy	90%	(dir)
COMPASS RE S.A.	Luxembourg	100%	(indir)
MB ADVISORY KURUMSAL DANISMANLIK HIZMETLERI A.S.	Turkey	100%	(dir)
MEDIOBANCA INTERNATIONAL IMMOBILIERE S.à r.l.	Luxembourg	100%	(indir)
CAIRN CAPITAL GROUP Ltd	United Kingdom	51%	(dir)
CAIRN CAPITAL Ltd	United Kingdom	100%	(indir)
CAIRN CAPITAL NORTH AMERICA Inc.	United States	100%	(indir)
CAIRN FINANCIAL GUARANTEE Ltd.	United Kingdom	100%	(indir)
CAIRN CAPITAL INVESTMENTS Ltd.	United Kingdom	100%	(indir)
CAIRN INVESTMENTS MANAGERS Ltd.	United Kingdom	100%	(indir)
AMPLUS FINANCE Ltd.	United Kingdom	100%	(indir)
MB FUNDING UX S.A.	Luxembourg	100%	(indir)
SPAFID FAMILY OFFICE SIM S.p.A.	Italy	100%	(indir)

In view of the size of the investment and the role played by the Bank in the companies' governance, as at the date of this document the values reflected by the investments in

Assicurazioni Generali were as follows:

Company	Sector	% of share capital	Book value as at 30/6/17 €m
Assicurazioni Generali	Insurance	17%	3,080.5

FORECASTS OR ESTIMATES OF PROFITS

No substantial adverse changes have taken place in Mediobanca's or the Group's prospects since 30 June 2017.

Mediobanca is not aware of any information on trends, uncertainties, requests, commitments or facts known which could reasonably have a significant impact on Mediobanca's prospects for the current financial year.

BODIES RESPONSIBLE FOR GOVERNANCE, MANAGEMENT AND SUPERVISION OF MEDIOBANCA

The Board of Directors appointed on 28 October 2015 for the 2015, 2016 and 2017 financial years consists of seventeen members (following the resignation of Ms Marina Natale effective as of 21 July 2017), eleven of whom qualified as independent under Article 148, paragraph 3 of Italian Financial Services Act, and among them ten qualified as independent under the voluntary code of corporate governance issued by Borsa Italiana S.p.A. (the "Code of Conduct") in respect of listed companies. Its composition also reflects the legal requirements in terms of gender balance.

Board of Directors

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Renato Pagliaro *	Chairman ***	Milan, 20/2/57	28/10/20	-
Maurizia Angelo Comneno*	Deputy Chairman	Rome, 18/6/48	28/10/20	-
Alberto Pecci	Deputy Chairman	Pistoia, 18/9/43	28/10/20	Chairman, Pecci Filati Chairman, Tosco-Fin Director, El.En.
Alberto Nagel*	Chief Executive Officer ***	Milan, 7/6/65	28/10/20	-
Francesco Saverio Vinci *	General Manager ***	Milan, 10/11/62	28/10/20	

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
Cesar Alierta	Director	Zaragoza (Spain), 5/5/45	28/10/20	Director, Telefónica Audiovisual Digital
Marie Bolloré	Director	Neully sur Seine, 8/5/88	28/10/20	Director, Bolloré Director, Financière de l'Odéon Director, Bolloré Participations Director, Financière V Director, Omnium Bolloré Director, Blue Solutions Director, Société Industrielle et Financière de l'Artois Member of Supervisory Committee, Sofibol
Maurizio Carfagna	Director	Milan, 13/11/47	28/10/20	Chief Executive Officer, H-Invest Director, Compagnia Immobiliare Azionaria Director, Futura Invest
Maurizio Costa	Director	Pavia, 29 ottobre 1948	28/10/20	Director, Amplifon
Angela Gamba	Director	Palazzolo sull'Oglio (BS), 15/8/70	28/10/20	Director, Parmalat
Valérie Hortefeux	Director	Aulnay (France), 14/12/67	28/10/20	Director, Blue Solutions Director, Ramsay – Generale de Santé
Alberto Lupoi	Director	Rome, 21/3/70	28/10/20	-
Elisabetta Magistretti	Director	Busto Arsizio, 21/7/47	28/10/20	Director, Luxottica Group Director, Smeg
Massimo Tononi	Director	Trento, 22/8/ 64	28/10/20	Chairman, Prysmian Chairman, Istituto Atesino di Sviluppo Director, Italmobiliare Director, Il Sole 24 Ore
Gabriele Villa*	Director	Milan, 18/6/64	28/10/20	Director, Space2 Chairman Board Statutory Auditors, Westfield Milan Standing Auditor, Edison

Name	Post held	Place and date of birth	Term of office expires	Posts held in other companies
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Standing Auditor, Otis Servizi

Standing Auditor, Transalpina di Energia

* *Member of Executive Committee.*

****Member of Mediobanca senior management*

All Board members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence (in the latter case applicable only to the independent directors).

The address for all members of the Board of Directors for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Statutory Audit Committee

Composition of Statutory Audit Committee:

Post	Nem	Place and date of birth	Term expires	Principal outside activities
Chairman	Natale Freddi	Rho, 6/6/52	FY 28/10/20	None
Standing auditor	Francesco Di Carlo	Milan, 4/10/69	FY 28/10/20	Director, Pitagora Director, Milano Investment Partners SGR Chairman Board of Statutory Auditors, Italmobiliare Standing Auditor, Equita SIM Standing Auditor, Equita Group Standing Auditor, Clessidra SGR Standing Auditor, Cerved Master Service Standing Auditor, Lauro 48 Alternate Auditor, Generali Italia Alternate Auditor, Telecom Italia Alternate Auditor, Sace
Standing auditor	Laura Gualtieri	Reggio Emilia, 18/10/68	FY 28/10/20	Standing Auditor, Prysmian
Alternate auditor	Alessandro Trotter	Vimercate, 09/06/40	FY 28/10/20	-

Post	Nem	Place and date of birth	Term expires	Principal outside activities
Alternate auditor	Barbara Negri	Alessandria, 13/06/73	FY 28/10/20	-
Alternate auditor	Stefano Sarubbi	Milan, 6/12/65	FY 28/10/20	Chairman Board of Statutory Auditors, Coca Cola Italia Chairman Board of Statutory Auditors, Comfactor

All Statutory Audit Committee members are in possession of the requisites to hold such office by law, in terms of fitness, professional qualifications and independence; and are all registered as auditors.

The address for all members of the Statutory Audit Committee for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

General Manager and senior management

Renato Pagliaro Chairman, Alberto Nagel Chief Executive Officer, Francesco Saverio Vinci General Manager, Alexandra Young, Executive Director of Mediobanca and Emanuele Flappini, Head of Company Financial Reporting.

The address for the General Manager and the senior management for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Conflicts of interest among bodies responsible for governance, management and supervision

A ban was instituted pursuant Article 36 of Italian Decree Law 201/11, as converted into Italian Law 214/11, on representatives of banks, insurers and financial companies from holding positions in companies which operate in the same sectors. Each year the Board of Directors assesses the positions of the individual directors, which may have changed as a result of changes in the activities or size of the other companies in which they hold posts. To this end, each director, including in order to avoid potential conflict of interest, shall inform the Board of any changes in the positions assumed by them in the course of their term of office.

Mediobanca also adopts the procedure recommended under Article 136 of the Italian Consolidated Banking Act for approval of transactions involving individuals who perform duties of management and control in other companies controlled by such parties.

Transactions with “related parties” are described in part H of the financial statements for the twelve months ended 30 June 2017.

The members of the Board of Directors and the Statutory Audit Committee of Mediobanca do not have any conflicts or potential conflicts of interest between their duties to Mediobanca and their private interests or other duties.

SHARE CAPITAL

Amount of share capital issued

As at the date of this Base Prospectus, Mediobanca’s share capital, fully subscribed and paid up,

totalled €440.617.579 made up of 881,235,158 par value €0.50 shares.

MAIN SHAREHOLDERS

Information on ownership structure

Individuals or entities who based on the shareholders' register and publicly available information own directly or indirectly financial instruments representing share capital with voting rights in excess of 3% of the company's share capital, directly or indirectly, are listed below:

	Shareholder	% of share capitale
1	UniCredit group	8.56
2	Bolloré group	8.0
3	Mediolanum group	3.43

Mediobanca shareholders representing, as at 30 June 2017, 30.69% of the Bank's share capital entered into a shareholders' agreement in respect of Mediobanca's share capital expiring on 31 December 2017.

The general meeting held on 22 September 2017 duly noted the notice of withdrawal from the Shareholders Agreement that had been received from Pirelli S.p.A. (in respect of 15.8 million Mediobanca shares, or 1.79% of the company's share capital) and from Zannoni Group (in respect of 2.205.000 Mediobanca shares -0,25% syndicated to the Shareholders Agreement through Cinca S.A. -0,14%- and Arca S.p.A. -0,11%-), effective as of the date on which the Agreement expires, namely 31 December 2017. The deadline for sending notice of withdrawal was 30 September 2017.

Finally, the parties in general meeting adopted a resolution, in the event of renewal, allowing each Party to give advance notice of its intention to withdraw by 30 September 2018 with effect from 31 December 2018. In this case, the Shareholders Agreement shall remain in force until its final expiry date of 31 December 2019 by and between parties representing at least 25% of Mediobanca's share capital.

The Shareholders Agreement, which is filed with the Milan companies' register, is a block shareholders' agreement aimed at preserving a stable shareholder base combined with representative governing bodies to ensure consistent management objectives. In order to achieve these objectives, these shareholders, divided into three groups, concur in seeing the traditional system of corporate governance which leverages on the management and provides greater clarity in the roles of the various governing bodies within the company, as fundamental to safeguarding the characteristics, function and traditional independence of Mediobanca and to ensuring that consistent management objectives are pursued.

An excerpt from the Shareholder Agreement may be found on the Issuer's website at www.mediobanca.it.

Agreements the performance of which may result in a change of control subsequent to the date hereof

Mediobanca is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca.

AUDITORS OF THE FINANCIAL STATEMENTS

External auditors and auditors responsible for auditing the financial statements

At an annual general meeting held on 27 October 2012, the shareholders of Mediobanca appointed PricewaterhouseCoopers S.p.A. to audit the Bank's separate and consolidated full-year and interim financial statements up to and including the financial year ending 30 June 2021.

PricewaterhouseCoopers S.p.A. a company with its registered offices in via Monte Rosa 91, Milan, Italy, has audited the separate and consolidated financial statements of Mediobanca as at 30 June 2017 and as at 30 June 2016. PricewaterhouseCoopers S.p.A is registered under No. 119644 in the Register of Accounting Auditors (Registro dei Revisori Legali) maintained by MEF (Ministero dell'Economia e delle Finanze) in compliance with the provisions of Legislative Decree No. 39 of 27 January 2010 (the "Decree 39/2010").

External supervisory bodies other than the external auditors

There are no external supervisory bodies other than the external auditors.

Information regarding resignations, dismissals or failures to renew the appointment of the external auditors or the auditors responsible for auditing the financial statements

No resignations, dismissals or failures to renew the appointment of the external auditors have occurred during the period under review.

LEGAL AND ARBITRATION PROCEEDINGS

As at 30 June 2017, none of Mediobanca and its consolidated subsidiaries is or has been involved in any governmental, legal, arbitration or administrative proceedings relating to claims or amounts of money which may have, or have had in the recent past, a material impact on the Group's financial position or profitability, and as far as Mediobanca is aware, no such litigation, arbitration or administrative proceedings has either been announced or is pending. A description of the main tax disputes and litigation pending is provided below, purely for information purposes:

Litigation pending and Tax disputes

The most significant litigation still pending against Mediobanca is as follows:

- For the alleged failure to launch a full takeover bid for La Fondiaria in 2002, a total of sixteen claims had been made against Mediobanca and UnipolSai. Of this total just two are still pending, with total damages claimed jointly from the defendants (known as the *petitum* in Italian law), of approx. €1m (plus interest and expenses); Mediobanca's share of this amount is approx. €300,000 (plus interest and expenses);

The state of proceedings in these two claims is as follows:

- For one, the date of the hearing at the Court of Cassation has still to be set. The appeal was submitted by a former shareholder of Fondiaria S.p.A. against the ruling issued by the Court of Appeal in Milan which partly revised the first-degree ruling, reducing the amount of the damages to be refunded to the former shareholder; and
- For the other, the terms for submission of an appeal against the Court of Appeal in

Milan's ruling against Mediobanca and Unipol to the Court of Cassation are still pending; but an agreement has now been reached with the plaintiff for out-of court settlement;

- Claim for damages by Monte dei Paschi di Siena ("FMPS") against – inter alia – Mediobanca, in respect of participation with criminal intent by virtue of an alleged non-contractual liability, jointly with the other twelve lender banks, for alleged damages to FMPS in connection with the execution of the Term Facility Agreement on 4 June 2011 and the consequent breach of FMPS's Articles of Association (20% limit on debt/equity ratio) in a total amount of €286m. The case is currently pending with the court of Florence. At the first hearing, the judge upheld the objection made by the former members of the administrative body and the former superintendent regarding the failure to obtain the necessary authorization from the Italian Ministry for the Economy and Finance to take action against them, and set a deadline of 15 November 2017 for the said authorization to be obtained. The judge's decision regarding the preliminary objection to non-Italian arbitration raised by the defendant banks is also still pending. The next hearing has been set for 30 November 2017.

With reference to the disputes outstanding with the Italian revenue authorities, as at 30 June 2017 the Mediobanca Group had cases pending in respect of higher tax worth a notified amount of €24.5m, plus interest and fines, down sharply on the €43.2m reported last year with no new addition save in respect of those for the Esperia group companies which totalled €1.7m (against a provision for risks and charges totalling €1.5m).

During the twelve months under review SelmaBipiemme chose to avail itself of the simplified procedure introduced pursuant to Italian decree law 193/16 to shorten the timescales for tax litigation, in respect of the yacht leasing disputes in which the company has been unsuccessful at both stages of the proceedings. This decision has enabled the company, in return for a payment of €24.9m, €17.4m of which by way of tax, to settle its debts with the Italian revenue authority in respect of all the positions involved which amounted to a total risk (including fines, interest and collection charges) of €61.2m.

The Issuer audited consolidated annual financial statements in respect of the year ending on 30 June 2017 contains a more detailed description of the tax remain outstanding.

There is no other significant litigation pending as at the date of this Base Prospectus.

The provision for risks and charges amply covers any charges that may be payable as a result of the claims made against Mediobanca and the Group companies.

SIGNIFICANT CHANGES IN THE ISSUER'S FINANCIAL POSITION

There have been no significant changes to financial or commercial position of Mediobanca or the other companies forming part of the Group since the most recent financial information available was disclosed in the consolidated financial statements as at 30 June 2017

MATERIAL AGREEMENTS

Neither Mediobanca nor any of the companies controlled by Mediobanca has entered into or participates in agreements outside of their normal course of business which could result an obligation or entitlement for Group members that would impact significantly on the Issuer's ability to meet its obligations in respect of the holders of financial instruments issued or to be

issued.

“FINANCIAL INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.” SECTION

The following section "Financial Information on Mediobanca – Banca di Credito Finanziario S.p.A." shall replace the section "Financial Information on Mediobanca – Banca di Credito Finanziario S.p.A." on page 388 of the Base Prospectus:

FINANCIAL INFORMATION OF MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.

The consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2017 and 2016 were prepared in accordance with IFRS as adopted by the European Union.

All of the above consolidated annual financial statements, prepared in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See “*Documents Incorporated by Reference*”.

The annual consolidated financial statements as at 30 June 2017 and as at 30 June 2016 have been audited by PricewaterhouseCoopers S.p.A., whose reports thereon are attached to such annual financial statements.

“INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.” SECTION

The following section "Information on Mediobanca International (Luxembourg) S.A." shall replace the section "Information on Mediobanca International (Luxembourg) S.A." on pages 389-393 of the Base Prospectus:

INFORMATION ON MEDIOBANCA (LUXEMBOURG) S.A.

General Information

Name: Mediobanca International (Luxembourg) S.A. (“**Mediobanca International**”).

Date of Incorporation: Mediobanca International was incorporated in 1990 and its registered office was transferred to Luxembourg by a resolution of the Shareholders before a notary on December 21, 2005 and the articles of incorporation were published in the *Memorial Recueil des Sociétés et Associations* number 567 on 17 March 2006. The articles of association have been amended on 5 October 2007 (and the amending deed has been published in the *Memorial Recueil des Sociétés et Associations* number 2995 on 24 December 2007) and on 30 January 2017 (and the amending deed has been published in the *Recueil électronique des sociétés et associations* (RESA) N° RESA_2017_042 on 16 February 2017).

Legislation:	Mediobanca International operates under Luxembourg law.
Registered Office and Telephone Number:	4, Boulevard Joseph II, L-1840 Luxembourg, Tel. no.: (00352) 267303-1.
Registration:	Registre de Commerce et des Sociétés Luxembourg number B 112885.
Financial Year:	Mediobanca International's financial year ends on 30th June of each year.
General Meetings:	General Meetings are held at least once a year.

Share Information

Authorised and Issued Capital:	EUR 10,000,000 divided into 1,000,000 ordinary shares of EUR 10.00 each.
Reserves:	EUR 297,773,199 as at 30 June 2017.
Controlling Shareholders:	Mediobanca - Banca di Credito Finanziario S.p.A.
Change of control:	Mediobanca International is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca International.

Management

Board of Directors: The Articles of Association provide for a Board of Directors consisting of at least three members elected by the general meeting of shareholders for a term of office not to exceed six years.

Directors: The Board of Directors is responsible for setting authorisation levels, defining organisational structure, defining the system of internal control and reviewing it on a regular basis, and approving the bank's accounts and interim statements. The Board of Directors consists of the following eight Directors:

<i>Director</i>	<i>Place and date of birth</i>	<i>Principal activities performed by the Directors outside Mediobanca International</i>
Massimo Di Carlo	Rovereto on 25 June 1963	Director
Stefano Biondi	Rome on 6 April 1977	Managing Director
Peter Gerrard (Chairman)	New York on 21 October 1947	Chairman

Piero Pezzati	Milan on 23 March 1953	Director
Paola Schneider	Naples on 17 September 1961	Director
Stéphane Bosi	Monticelli d'Ongina on 27 April 1953	Director
Giovanni Mancuso	Turin on 5 December 1954	Director

The business address of each of the directors is 4, Boulevard Joseph II, L-1840 Luxembourg, with the exception of Massimo Di Carlo whose business address is 1 Piazzetta E. Cuccia, 20121 Milan.

There are no significant conflicts of interests in relation to the update of the Programme between any of the Directors' duties to Mediobanca International and their private interests or other duties.

Authorised managers:

Day-to-day management is entrusted to two authorising managers: Edoardo Reitano (CFO) and Stefano Biondi (Managing Director and CEO). The "four-eyes-principle" is set out in article 7(2) of the Luxembourg law of 5 April 1993 on the financial sector (as amended) and requires at least two persons to be in charge of the management, with the power to effectively determine the direction of the activity, and having appropriate professional experience.

Approved independent auditors:

PricewaterhouseCoopers Luxembourg, a *société coopérative* incorporated under the laws of Luxembourg, with its registered office at 2, rue Gerhard Mercator, L-2182 Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B.65477 ("**PwC Luxembourg**"), was designated, during the Board of Directors held on 11 September 2012, Mediobanca International's independent auditor (*réviseur d'entreprises agréé*).

PwC Luxembourg, has audited the non-consolidated financial statements of Mediobanca International as at and for the two years ended 30 June 2016 and 30 June 2017.

PwC Luxembourg is a member of the Institute of Independent Auditors (*l'Institut des Réviseurs d'Enterprises*) and is approved by the *Commission de Surveillance du Secteur Financier* ("**CSSF**") in the context of the law dated 23 July 2016 relating to the audit profession.

Corporate governance:

Mediobanca International is not subject to any compulsory corporate

governance code of conduct or representative statutory legal provisions. The Luxembourg law dated 10 August 1915 on commercial companies, as amended, does not make the application of a corporate governance code mandatory to Mediobanca International. The Ten Principles of Corporate Governance of the Luxembourg Stock Exchange do not apply because the shares of Mediobanca International are not listed on a regulated market operated by the Luxembourg Stock Exchange.

Object and General Business Policy

Business Operations: Article 3 of Mediobanca International’s Article of Association provides, among other things, that the sole object of Mediobanca International is to carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector.

Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium term notes programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.

Risk Management: All interest rate, currency, credit and other risks are managed within the Mediobanca Group.

Tax Treatment: See “*Taxation - (B) Tax Regime for Mediobanca International issues - Luxembourg*”.

Main financial information of Mediobanca International

Selected annual financial information. The summary audited balance sheet, profit and loss account and cash flow statement of Mediobanca International as at 30 June 2017 are shown below, along with comparative data for the year ended 30 June 2016.

MAIN CONSOLIDATED BALANCE SHEET ITEMS	30/6/17	30/6/16	CHANGES 2017/2016 %
	€m	€m	
Assets			
Loans and advances to credit institutions	1,290.1	1,801.7	-28.4%
Loans and advances to customers	3,299.9	3,404.3	-3.1%
Financial assets*	582.7	1,061.4	-45.1%
Total Assets	5,191.7	6,281.9	-17.4%

Liabilities			
Debt securities in issue	1,317.4	2,200.4	-40.1%
Amounts due to credit institutions	2,248.9	1,928.2	16.6%
Amounts due to customers	962.5	1,275.0	-24.5%
Financial liabilities**	319.2	559.6	-43.0%
Net equity	307.8	288.7	6.6%
of which: share capital	10.0	10.0	0.0%
Profit for the period	20.8	19.0	9.4%
Total Liabilities	5,191.7	6,281.9	-17.4%

* Includes Financial Assets held for trading, Financial Assets held to maturity and Hedging derivatives.

** Includes Trading liabilities and Hedging derivatives.

MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS	30/6/17	30/6/16	CHANGES
			2017/2016
			%
	€m	€m	
Net interest income	38.6	30.3	27.2%
Net fee and commission income	1.0	0.8	21.4%
Total income	36.2	33.7	7.4%
Net income from banking activities	37.0	34.7	6.6%
Administrative expenses	-8.5	-7.7	10.7%
Profit before Tax	28.5	26.9	5.9%
Profit for the year	20.8	19.0	9.4%

CASH FLOW STATEMENT	Year ended 30 June	
	2017	2016
CASH FLOW FROM OPERATING ACTIVITIES		
	<i>(€ thousands)</i>	
Operating activities	81,740	11,214
Cash generated/(absorbed) by financial assets	580,864	-1,117,162
Cash (generated)/absorbed by financial liabilities	-663,951	919,212
Net cash flow (outflow) from operating activities	-1,347	-186,736

CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow (outflow) from investment activities	-	194,989
FUNDING ACTIVITIES		
Net cash flow (outflow) from funding activities	-	-
NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD	-1,347	8,253

“FINANCIAL INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.” SECTION

The following section "Financial Information on Mediobanca Luxembourg S.A." shall replace the section "Information on Mediobanca Luxembourg S.A." on page 394 of the Base Prospectus:

FINANCIAL INFORMATION OF MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.

Mediobanca International only produces non-consolidated financial statements.

The audited non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2017 and 2016, in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See “Documents Incorporated by Reference”.

The annual non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2017 and 2016 have been prepared in accordance with IFRS as adopted by the European Union.

The annual non-consolidated financial statements as at 30 June 2017 and as at 30 June 2016 have been audited by PricewaterhouseCoopers, Société cooperative, whose reports thereon are attached to such annual non-consolidated financial statements.

"FORM OF FINAL TERMS"

1) Paragraph 8(xiii) of the section "*Form of Final Terms*" on page 421 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

- | | |
|-----------------------------------|---|
| (xiii) Autocallable Certificates: | [Applicable] [Not applicable] |
| | <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i> |
| • Formula: | a) As provided under Condition 21(xiii) if on a Barrier Exercise Date the Final Reference |

Level is [equal to or greater than] [equal to or lower than] the Strike Level, the Certificates shall be automatically redeemed and the Cash Settlement Amount shall be paid in accordance with the following:

Notional Amount * (1 + Remuneration Percentage_t)

the Cash Settlement Amount shall be paid on the third Business Day following the relevant Barrier Exercise Date [as adjusted in accordance with the [Modified Following] [Following] [Preceding] Business Day Convention].]

b) If the Certificates are not automatically early redeemed as described above then:

If the Final Reference Level is [equal to or greater] [equal to or lower] than the Barrier Level on the Valuation Date the Cash Settlement Amount will be equal to:

Notional Amount * (1 + Remuneration Percentage_t)

If the Final Reference Level is [lower] [greater] than the Barrier Level on the Valuation Date, the Cash Settlement Amount will be calculated in accordance with the following formula:

Notional Amount * Participation Factor * $\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$

- Barrier Exercise Date(s) []
- Strike Level []
- Barrier Level []
- Participation Factor []
- Remuneration Percentage_t: []

2) The following paragraph shall be added to the section "Form of Final Terms" on page 452 of the Base Prospectus:

40. Phoenix Remuneration: [Applicable] [Not applicable]

(Only applicable in case of Certificates which

are Autocallable Certificates)

(If not applicable, delete the remaining subparagraphs of this paragraph)

- Formula:

a) If, on a Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level is [equal to or greater than] [equal to or lower than] the Barrier Level, the Remuneration Amount shall be an amount in the Settlement Currency determined by the Calculation Agent in its sole discretion in accordance with the following formula:

$$\text{Max } \{0; \text{Notional Amount} * [\text{Participation Factor} * ((i * \text{Remuneration Rate}) - \text{Sum Remuneration Rate(s) Paid})]\}$$

the Remuneration Amount shall be paid on the [•][fifth] Business Day following [such Remuneration Payment Date] [the Exercise Date] [as adjusted in accordance with the [Modified Following] [Following] [Preceding] Business Day Convention].]

b) If, on a Remuneration Payment Date or on the Exercise Date, as the case may be, the Final Reference Level is [lower] [greater] than the Barrier Level, the Remuneration Amount shall be an amount equal to zero.

- Barrier Level []
- Remuneration Rate [] [] per cent. [per annum] [payable [annually/semi-annually/quarterly/monthly] in arrear]
- Remuneration Payment Date(s) [], as adjusted in accordance with the Business Day Convention specified below.
- Broken Amount: [[] per Notional Amount payable on the Remuneration Payment Date falling [in / on] []] [Not applicable. There are no short or long Remuneration Periods.]
- Business Day Convention: [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]

Convention]

- Day Count Fraction: [1/1] [Actual/Actual] [Actual/Actual (ISDA)]
[Actual/Actual (ICMA)] [Actual/365 (Fixed)]
[Actual/360] [30/360] [360/360] [Bond Basis]
[30E/360] [Eurobond Basis] [30E/360
(ISDA)] [(unadjusted) / [adjusted in
accordance with Business Day Convention
specified above]]]

“GENERAL INFORMATION”

The following section "General Information" shall replace the section "General Information" on pages 479-482 of the Base Prospectus:

GENERAL INFORMATION

(1) Listing and Admission to Trading

The Central Bank of Ireland has approved this Base Prospectus as a base prospectus. Application has also been made to the Irish Stock Exchange for Securities issued under the Programme to be listed on the Official List and admitted to trading on the regulated market of the Irish Stock Exchange. The Irish Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

However, Securities may be issued pursuant to the Programme which will not be listed or admitted to trading on the Irish Stock Exchange or any other stock exchange or market or which will be listed or admitted to trading on such stock exchange or market as the Issuers and the relevant Dealer(s) may agree.

The Central Bank of Ireland may, at the request of the relevant Issuer, send to the competent authority of another European Economic Area member state: (i) a copy of this Base Prospectus; (ii) an Attestation Certificate; and (iii) if so required by such competent authority, a translation of the section of this Base Prospectus headed "*Summary of the Programme*".

Each Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Ireland and the Republic of Italy in connection with the establishment and update of the Programme and the issue and performance of the Securities and the guarantee relating to them. The update of the Programme, including the giving of the Guarantee, was authorised by a resolution adopted by the Executive Committee of Mediobanca passed on 7 July 2016 and the decision (*determina*) assumed by the General Manager (*Direttore Generale*) of Mediobanca on 15 December 2016, and a resolution of the Board of Directors of Mediobanca International passed on 14 December 2016.

The price and amount of Securities to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

- (2) Save as disclosed in this Base Prospectus at page 385 (*Legal and arbitration proceedings*), Mediobanca International (where Mediobanca International is the relevant Issuer) is not and none of Mediobanca and its consolidated subsidiaries (where Mediobanca is the relevant Issuer

or the Guarantor) is or has been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months preceding the date of this document relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Mediobanca Group's financial position or profitability and, so far as Mediobanca or, as the case may be, Mediobanca International is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

- (3) Neither Mediobanca nor Mediobanca International nor any of Mediobanca's subsidiaries has entered into any contracts in the last two years outside the ordinary course of business that have been or may reasonably be expected to be material to such Issuer's ability to meet its obligations to Securityholders.
- (4) In the case of Mediobanca since 30 June 2017 (being the last day of the financial period in respect of which the most recent audited annual financial statements of Mediobanca have been prepared) there has been no material adverse change in the prospects of Mediobanca or its subsidiaries.
- (5) In the case of Mediobanca International since 30 June 2017 (being the last day of the financial period in respect of which the most recent and available audited financial statements of Mediobanca International have been prepared) there has been no material adverse change in the prospects of Mediobanca International.
- (6) For so long as the Programme remains in effect or any Securities remain outstanding, the following documents will be available in electronic form (unless the investor requests physical copies), and in the case of paragraphs (vii), (viii), (ix), (x) and (xi) below, may be obtained free of charge during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent and the Paying Agent:
 - (i) the Issue and Paying Agency Agreement;
 - (ii) the Dealer Agreement;
 - (iii) the Deeds of Covenant;
 - (iv) the Deed of Guarantee;
 - (v) the Programme Manual (being a manual signed for the purposes of identification by the Issuers and the Fiscal Agent, containing suggested forms and operating procedures for the Programme, including the forms of the Securities in global and definitive form);
 - (vi) the By-laws (Statuto) of Mediobanca and articles of incorporation of Mediobanca International;
 - (vii) the published annual financial statements of Mediobanca International as at and for the years ended 30 June 2017 and 2016;
 - (viii) the consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2017 and 2016;
 - (ix) Final Terms for Securities which are listed on the Irish Stock Exchange or any other stock exchange or market;

- (x) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus.
- (7) Physical copies of the latest annual consolidated financial statements of Mediobanca and annual financial statements of Mediobanca International may be obtained upon request at the specified office of the Paying Agent during normal business hours, so long as any of the Securities is outstanding.
- (8) The Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Securities constituting derivative securities, except if required by any applicable laws and regulations.
- (9) The Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Securities allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Securities are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.
- (10) The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Monte Titoli S.p.A. is Piazza degli Affari 6, 20123 Milan, Italy.
- (11) Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Mediobanca and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Mediobanca or Mediobanca's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Mediobanca routinely hedge their credit exposure to Mediobanca consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Securities issued under the Programme. Any such short positions could adversely affect future trading prices of Securities issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purpose of this paragraph the term "affiliates" includes also parent companies.
- (12) With respect to Article 3 (2) of the Prospectus Directive the Issuers consent, to the extent and under the conditions, if any, indicated in the Final Terms, to the use of the Base Prospectus as long as the Base Prospectus is valid in accordance with Article 9 of the Prospectus Directive and accepts responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of the Securities by any Dealer and/or financial intermediary which was given consent to use the prospectus.

Such consent may be given to all (general consent) or only one or more (individual consent)

specified Dealers and/or financial intermediaries and/or for a limited or indefinite period, as stated in the Final Terms, and for Italy, Ireland and/or Luxembourg as member states in which the Base Prospectus has been passported and which will be indicated in the relevant Final Terms.

Such consent by the Issuers is subject to each Dealer and/or financial intermediary complying with the terms and conditions described in this Base Prospectus and the relevant Final Terms as well as any applicable selling restrictions. The distribution of this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms as well as the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law.

Each Dealer and/or each financial intermediary, if any, and/or each person into whose possession this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms come are required to inform themselves about and observe any such restrictions. The Issuers reserve the right to withdraw its consent to the use of this Base Prospectus in relation to certain Dealers and/or each financial intermediary.

In case of an offer being made by a Dealer or a financial intermediary, such Dealer or financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

If the Final Terms state that the consent to use the Base Prospectus is given to all Dealers or financial intermediaries (general consent), any Dealer or financial intermediary using the Base Prospectus is required to state on its website that it uses the Base Prospectus in accordance with the consent and the conditions attached thereto.

If the Final Terms state that the consent to use the prospectus is given to one or more specified Dealers or financial intermediaries (individual consent), any new information with respect to Dealers or financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the website www.mediobanca.it.