

Terms & Conditions

#487808

Unit	
Nominal	x

New Issue	Type	Maturity Date	Capital Guarantee	Issue Price
Series N°3861	Certificate	Not applicable	None	100% of the Denomination

WARNING

Certificate holders are exposed to the credit and market risks associated with a direct investment in each underlying Bond of the Basket. As a consequence, the redemption amount may be substantially affected by any price movement or any event affecting one or several Bonds.

Capitalised terms used in this section are defined hereinafter.

Issuer	Exane Finance
Guarantor	Exane Derivatives (Moody's : A3 ; S&P : A-) <i>The Issuer's payment obligations are guaranteed by the Guarantor.</i>
Capital Guarantee on the Maturity Date	None
Lead Manager	Exane Limited
Type	Certificates
Issue Size	EUR 6,000,000 (i.e. 6,000 Certificates of EUR 1,000 each)
Denomination	EUR 1,000.00
Launch Date	30 October 2009
Payment Date / Issue Date	20 November 2009
Maturity Date	Not applicable
Issuer's Reference Date	20 November 2017
Redemption at the option of the Issuer	The Issuer can redeem all of the Certificates at the Final Redemption Amount on any Business Day starting on the Issuer's Reference Date. The day during which the Issuer notifies the holders of the exercise of this redemption option will be defined as the " Issuer's Optional Redemption Exercise Date ".
Final Fixing Date	Issuer's Optional Redemption Exercise Date + 5 Business Days
Final Redemption Date	Issuer's Optional Redemption Exercise Date + 10 Business Days
Underlying	A basket (the " Basket ") of bonds as described in Annex (each, a " Bond ").
Final Redemption Amount	On the Final Redemption Date, the holder of 1 Certificate will receive the following amount in EUR: $1000EUR \times \sum_{i=1}^n w_i \times \frac{P_i}{P_i^0} \times (1-F)^t$
	<u>Where:</u> « n » is the number of Bonds in the Basket, i.e. 9 « F » is the research and structuring fee, i.e. 0.80% per annum. For each Bond i (i from 1 to 9) as defined in Annex: « w _i » is the weight, expressed in percentage, of Bond i in the Basket as indicated in Annex. « t » is the number of calendar years between the Issue Date and the Final Fixing Date

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Bond i Initial Price (« P_i^0 »)	The Bond i Initial Price will be indicated in Annex.
Bond i Final Price (« P_i »)	<ul style="list-style-type: none"> If applicable, P_i corresponds to the redemption price of Bond i (excluding final coupon) following exercise by the issuer of Bond i of its right to call Bond i in accordance with the prospectus of Bond i, if such exercise is notified before the Final Fixing Date. P_i is capitalised at Eonia between the date of receipt of such proceeds by Exane Derivatives and the Final Fixing Date. Otherwise, P_i corresponds to “Debt Instrument Price” of Bond I, as defined in the Base Prospectus.
Variable Coupon n	<p>On each Coupon Payment Date n, the holder of one Certificate will receive a variable amount in euros (the “Coupon n”) corresponding to the Certificate coupon relating to the Coupon Period n. This amount will be equal to the sum as determined by the Calculating Agent of the net coupons received by Exane Derivatives between the Coupon Period n Start Date (excluded) and the Coupon Period n End Date (included), pursuant to the holding of each Bond i for a number of bonds N_i, where N_i is determined by the following formula :</p> $N_i = 1000EUR \times \frac{w_i}{P_i^0} \times (1 - F)^t$ <p>For the purpose of calculating this sum, each coupon is capitalised at Eonia between the date of receipt of such coupon by Exane Derivatives and the Coupon Period n End Date.</p>
Coupon Period n	<p>Each semi annual period starting on the Issue Date with a roll on every 20th of May and 20th of November. Coupon Period n Start Date and Coupon Period n End Date are determined accordingly.</p> <p>For information purposes only: Coupon Period 1 Start Date = 20 November 2009 Coupon Period 1 End Date = 20 May 2010</p> <p>In case of Redemption at the option of the Issuer, the Coupon Period n End Date will be deemed to be the Final Fixing Date and the accrued Coupon n will be calculated accordingly.</p> <p>In case of Redemption at the option of the Holder, the Coupon Period n End Date will be deemed to be the Early Fixing Date and the accrued Coupon n will be calculated accordingly.</p>
Coupon Payment Date n	Coupon Period n End Date + 5 Business Days
Coupon Ex-Date n	Coupon Period n End Date
Holder 's Reference Date	20 November 2019
Redemption at the option of the Holder	On any Business Day after the Holder's Reference Date, the Holder may exercise its option to redeem the Certificates at the Early Redemption Amount by sending a notice to the Issuer. The reception date of this notice by the Issuer is defined as the “ Holder's Optional Redemption Exercise Date ”.
Early Fixing Date	Holder's Optional Redemption Exercise Date + 5 Business Days
Early Redemption Date	Holder's Optional Redemption Exercise Date + 10 Business Days
Early Redemption Amount	The Early Redemption Amount is determined by applying the Final Redemption Amount calculation formula where “Final Fixing Date” is replaced by “Early Fixing Date”.
Currency	Euro (EUR)
Redemption Type	Cash settlement only

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Trading Size	EUR 10,000 minimum and multiple of EUR 1,000
Frequency of Valuation	Daily
Business Days	TARGET and Paris
Governing Law	French Law
Documentation	<p>The Certificates issue shall be governed by the conditions (the "Conditions") set forth IN THE Base Prospectus dated 21 November 2008, as supplemented by the First Supplement dated 24 June 2009, the Second Supplement dated 24 July 2009 and the Third Supplement dated 23 September 2009, and the provisions set forth in the final terms applicable to the Certificates (the "Final Terms").</p> <p>The Base Prospectus and the Supplements are available on www.exane.com/exaneissues.</p>
Financial Agent	Exane S.A.
Calculation Agent	Exane Derivatives
Listing	Application will be made to list the Certificates on the Luxembourg stock exchange
Clearing	Euroclear France, Clearstream
ISIN Code / Common / TK	FR0010821249
Placement Conditions	As of the Issue Date, this issue is subject to the payment of a fee to third parties in relation to its placement
Valorisation / Secondary Market	<p>Under normal market conditions, Exane Derivatives will provide on Reuters EXANEDERIV and Bloomberg EXANE screens a daily valuation and will ensure a daily secondary market.</p> <p>The quoted price and the liquidity of the Certificates will be subject to the liquidity of each underlying Bond i of the Basket.</p>
Selling restrictions	Applicable rules for US and France (detailed in the prospectus). No action has been or will be taken in France that would permit a public offering of this product.
Adjustments Applicable to the Certificates	<p>In the event of any adjustment concerning one or more Bond i, the Calculation Agent may continue to execute its obligations with respect to the Certificates by implementing the method set out in the Prospectus that it deems to be the most appropriate or any other additional method as described in the final terms, including in particular the liquidation of the relevant Bond (the "Liquidation Adjustment").</p> <p>Conversely, the Issuer may decide to terminate its obligations and will proceed to the early repayment of the Certificates at their fair market value, as determined by the Calculation Agent.</p>
Adjustment Events	<p>With respect to each underlying Bond i, the events prompting Certificate adjustments are the following:</p> <ul style="list-style-type: none"> ▪ Correction of debt instrument price ▪ Merger ▪ Demerger ▪ Bankruptcy and restructuring or substantial deterioration of the quality of the issuer of the debt instrument at the Calculation Agent's discretion ▪ Change of the nominal value of the debt instrument ▪ Change in law ▪ Hedging disruption ▪ Increased cost of hedging ▪ Any other event which in the opinion of the Calculation Agent has a material adverse effect on the Issuer or renders the hedge of the Certificates by the Issuer impossible or impracticable.

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Redemption Amount following an Adjustment by Liquidation

Upon occurrence of an adjustment event with respect to one underlying Bond i which results in an Adjustment by Liquidation (such Bond i being referred to as Bond j for the purpose of this section), the determination of the Final Redemption Amount shall be made by the Calculation Agent in accordance with the following formula:

$$1000EUR \times \left[\sum_{\substack{i=1 \\ i \neq j}}^n w_i \times \frac{P_i}{P_i^0} + w_j \times \frac{L_j}{P_j^0} \right] \times (1 - F)^t$$

Where « L_j » is the proceeds determined by Exane Derivatives for the liquidation of the Bond j which is subject to the adjustment event, net of all costs, fees and taxes if any, capitalised between the date of receipt of such proceeds by Exane Derivatives and the Final Fixing Date.

Each Adjustment by Liquidation with respect to another Bond will result in the application of the Final Redemption Amount formula set forth in this section.

Swiss EU Savings Tax

Directive of 3 June 2003 on taxation of income from savings (2003/48/EC): for Swiss paying agents, this product is not subject to the EU Savings tax (*out-of-scope*).

(Except as provided above, EXANE does not provide any tax advice or recommendation to potential investors in the Certificate. This information only constitutes a limited insight into the possible tax consequences related to the Certificate as of the issue date. The attention of any investor is drawn to the fact that tax laws and regulations and/or their interpretation are subject to changes and such changes may be retroactive on certain occasions. In any case, investors are invited to consult their own tax advisor for any relevant advice or information before proceeding with any transaction.)

Investor Responsibility

By agreeing to purchase any Certificate, you will be deemed to confirm that, in relation to any investment in any Certificate:

(a)

(i) You are acting as principal for your own account and have made your own independent decision as to whether the subscription to the Certificates is suitable, appropriate and meet your financial needs, such analysis being based upon your own judgement and/or, if necessary, any advice received from an accounting, tax, legal or any other independent professional advisors

OR

(ii) You are acting as agent for your own clients and have made your own independent decisions as to whether the subscription to the Certificates is suitable, appropriate for your own clients and meet their financial needs, such analysis being based upon your own diligences.

(b) you (or, when acting as agent, your own clients)

(i) are capable of understanding and assessing the merits of any investment in the Certificates (either through your own merits or by having recourse to independent professional advisors), and

(ii) understand and accept the terms, conditions and risks of such transactions and

(iii) are capable of assuming the risks of any such investment.

(c) you acknowledge that it is your sole responsibility to review the offering documentation governing the issue of the Certificates, including the relevant Base Prospectus.

We confirm, after reviewing the above Terms and Conditions, that this product constitutes an adequate investment which suits our requirements. In acceptance of our agreement, we hereby return a copy of these Terms and Conditions, signed by a(our) duly authorised representative(s).

Made in:

Date:

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Name and Title:

Signature:

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Annex

i	Weight (wi)	Isin Code	Bond i	Bond i Denomination in EUR
1	1/9	XS0365303329	Société Générale 2049 call 2013	50,000
2	1/9	XS0267166246	GElectric Capital 2066 call 2016	1,000
3	1/9	FR0010533414	Groupama 2049 call 2017	50,000
4	1/9	FR0010359687	SCOR 2049 call 2016	50,000
5	1/9	FR0010535971	BPCE 2049 call 2017	50,000
6	1/9	XS0371711663	Intesa Sanpaolo 2049 call 2018	50,000
7	1/9	XS0323922376	AXA 2049 call 2017	1,000
8	1/9	XS0457228137	BBVA 2049 call 2014	50,000
9	1/9	XS0218324050	BFCM 2049 call 2015	1,000

i	Bond i	Price in % - Clean Price	Price in % - Dirty Price	Initial Price in EUR (P_i^0)
1	Société Générale 2049 call 2013	96.00%	99.42%	49,710
2	GElectric Capital 2066 call 2016	79.38%	79.95%	799.5
3	Groupama 2049 call 2017	71.75%	71.96%	35,980
4	SCOR 2049 call 2016	80.50%	82.19%	41,095
5	BPCE 2049 call 2017	76.40%	76.48%	38,240
6	Intesa Sanpaolo 2049 call 2018	102.25%	105.27%	52,635
7	AXA 2049 call 2017	88.85%	89.36%	893.6
8	BBVA 2049 call 2014	104.50%	104.83%	52,415
9	BFCM 2049 call 2015	81.00%	81.10%	811