

# **Credit Suisse International**

*Registered as unlimited in England and Wales under No. 2500199*

## **3,337 European Call Certificates due 2018 linked to the Front Strategy non-UCITS Fund**

### **Issue Price:**

EUR 180.00 per Certificate



Pricing Supplement dated 10 June 2013

FLP 4342

In respect of the Certificates, this Pricing Supplement is supplemental to, and should be read and construed in conjunction with: (a) the Programme Memorandum (the "**Programme Memorandum**") relating to the Certificate Programme of Credit Suisse International (the "**Issuer**") specified in this Pricing Supplement; and (b) all annexes to this Pricing Supplement and other documents which are incorporated by reference therein (together the "**Prospectus**").

Unless the context otherwise requires, terms defined in the Programme Memorandum have the same meaning in this Pricing Supplement.

**Prospective investors should have regard to, amongst other things, the considerations described under the heading "Investment Considerations" set out in the Programme Memorandum and this Pricing Supplement.**

In conjunction with the issue and sale of the Certificates, the Issuer and/or any affiliate may agree to pay certain third parties amounts in connection therewith by way of commission or fee sharing arrangements. Certificateholders may request that the Issuer and/or any affiliate provide to them details of any such commission and fee sharing arrangements.

Each reference to "Security" in this Pricing Supplement shall also mean a reference to "Certificate".

## PRICING SUPPLEMENT TERMS

Except as set out below, the Certificates will be subject to the General Conditions set out in the Programme Memorandum and to these Pricing Supplement Terms (together, the “**Conditions**”).

In the event of any inconsistency between the Pricing Supplement Terms and the General Conditions, the Pricing Supplement Terms will prevail.

If the General Conditions refer to a definition or provision in the Pricing Supplement Terms and the Pricing Supplement Terms contain no such definition or provision, such definition or provision shall be deemed not to apply.

Not Applicable means an item is not applicable at the date of this Pricing Supplement, subject to amendment as provided in the Conditions. Words in italics do not form any part of the Pricing Supplement Terms.

### Applicable Programme Memorandum

Programme Memorandum: Programme Memorandum dated 22 November 2011 relating to the Certificate Programme of Credit Suisse International

### Constitution of the Certificates

- |    |                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Title:                                       | European Call Certificates due 2018 linked to the Front Strategy non-UCITS Fund                                                                                                                                                                                                                                                                                                                                                |
| 2  | Number of Certificates:                      | 3,337                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 3  | Type of Certificates:                        | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4  | Redemption Date:                             | Subject to the occurrence of Asset Disruption Events, the later of (i) 17 July 2018 (the “ <b>Scheduled Redemption Date</b> ”) and (ii) three Business Days following Hedging Entity's receipt of full redemption proceeds from the unwinding of its hedge in respect of the Final Valuation Date, provided that where such day is not a Business Day, the Redemption Date shall be the first Business Day following such day. |
| 5  | Issue Price:                                 | EUR 180.00 per Certificate                                                                                                                                                                                                                                                                                                                                                                                                     |
| 6  | Minimum Transferable Number of Certificates: | 1                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 7  | Issue Date:                                  | 11 June 2013                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 8  | Settlement Currency:                         | EUR                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 9  | Factor:                                      | EUR 1,000                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 10 | Initial Valuation Date:                      | 2 January 2013 provided that where such day is not a Calculation Business Day, the Initial Valuation Date shall be the first Calculation Business Day following such day.                                                                                                                                                                                                                                                      |
| 11 | Final Valuation Date:                        | 20 June 2018 provided that where such day is not a Calculation Business Day, the Final Valuation Date shall be the first Calculation Business Day following such day.                                                                                                                                                                                                                                                          |

- 12 Valuation Day: The Initial Valuation Date, the Final Valuation Date, and each day which is a Calculation Business Day from (but excluding) Initial Valuation Date to (but excluding) Final Valuation Date.
- “**Valuation Day (t)**” means a particular Valuation Day in respect of which a calculation or determination is being made.
- “**Valuation Day (t-1)**” means the Valuation Day falling immediately prior to Valuation Day (t) for which a calculation or determination is being made.
- 13 Principal Protection Percentage: Not Applicable
- 14 Calculation Business Day: Means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and Helsinki.
- 15 Business Day: Means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and under the TARGET 2 System.
- 16 Asset: The Front Strategy non-UCITS Fund (the “**Fund**”), (BBG code: FHWNUA1 FH; ISIN: FI4000041363)
- 17 Interim Payment(s): Not Applicable
- 18 Redemption Amount: Means subject to there being no Asset Disruption Event, an amount in the Settlement Currency calculated by the Calculation Agent, in accordance with the following formula:

$$\text{Factor} \times \text{Participation} \times \text{Max} \left[ 0\%, \left( \frac{\text{Reference Portfolio Value (Final)}}{\text{Reference Portfolio Value (Strike)}} - \text{Strike} \right) \right]$$

Where:

“**Participation**” means 100 per cent.;

“**Reference Portfolio Value (Final)**” means the Reference Portfolio Value in respect of the Final Valuation Date;

“**Reference Portfolio Value (Strike)**” means the Reference Portfolio Value in respect of the Strike Date;

“**Strike**” means 100 per cent.; and

“**Strike Date**” means 7 June 2013 provided that if such day is not a Calculation Business Day, it shall be the first Calculation Business Day following such day.

- 19 Reference Portfolio: Means a notional portfolio comprised of an investment in the Asset and the Cash Index.
- 20 Cash Index: Means a notional investment in cash which has a value equal to the Cash Index Value in respect of a particular Valuation Day.
- 21 Reference Portfolio Value: Means,

- (i) in respect of the Strike Date, 100 per cent. and
- (ii) in respect to each Valuation Day (t) following the Strike Date a percentage amount determined in accordance with the following formula:

ReferencePortfolio Value (t) =

$$\text{ReferencePortfolio Value (t-1)} \times \left( 1 - \text{Fee} \times \frac{N_{t-1,t}}{360} \right) \times \left[ W_{t-1} \times \frac{\text{Asset Value (t)}}{\text{Asset Value (t-1)}} + (1 - W_{t-1}) \times \frac{\text{Cash Index Value (t)}}{\text{Cash Index Value (t-1)}} \right]$$

Where:

**"Reference Portfolio Value (t-1)"** is the Reference Portfolio Value in respect of Valuation Day (t-1);

**"Asset Value (t)"** is the Official Net Asset Value of the Fund in respect of Valuation Day (t) subject to any adjustments made by the Calculation Agent in accordance with the Asset Terms;

**"Asset Value (t-1)"** is the Official Net Asset Value of the Fund in respect Valuation Day (t-1) subject to any adjustments made by the Calculation Agent in accordance with the Asset Terms;

**"W<sub>t-1</sub>"** is the Asset Weight in respect of Valuation Day (t-1);

**"Cash Index Value (t)"** is the Cash Index Value in respect of Valuation Day (t);

**"Cash Index Value (t-1)"** is the Cash Index Value in respect of Valuation Day (t-1); **"Fee"** is 0.60 per cent;

**"N<sub>t-1,t</sub>"** means the number of calendar days from (but excluding) Valuation Day (t-1) to (and including) Valuation Day (t).

22 Cash Index Value: Means,

- (i) in respect of the Strike Date, 100 per cent. (**"Cash Index Value (t<sub>0</sub>)"**); and
- (ii) thereafter, in respect of every Valuation Day (t), Cash Index Value (t) means

$$\text{Cash Index Value (t}_0\text{)} \times \prod_{i=1}^t \left( 1 + \text{EONIA}_{i-1} \times \frac{N_{i-1,i}}{360} \right)$$

Where

**"EONIA<sub>i-1</sub>"** means in respect of a particular Valuation Day (**"Valuation Day (i)"**), the overnight rate for deposits as displayed on Reuters page EONIA on the immediately preceding Valuation Day. If such rate is not available, the rate will be determined by the Calculation Agent, acting in a reasonable manner, from prevailing swap market rates; and

**"N<sub>i-1,i</sub>"** means the number of calendar days from (but excluding) Valuation Day (i-1) to (and including) Valuation Day (i).

- 23 Asset Weight: In respect of the Strike Date, the Asset Weight shall be equal to:  
 $\text{Min} \{ \text{Target Exposure (Strike - 2)}, 1 \}$   
 Thereafter, the Asset Weight in respect of Valuation Day (t) ("**Asset Weight (t)**") will be determined in accordance with the following:  
 (i) If  $|\text{Target Exposure (t-2)} - \text{Asset Weight (t-1)}| > 5\%$ ,  $\text{Min} [ \text{Target Exposure (t-2)}, 1 ]$   
 (ii) If  $|\text{Target Exposure (t-2)} - \text{Asset Weight (t-1)}| \leq 5\%$ ,  $\text{Asset Weight (t-1)}$   
 Where:  
**"Target Exposure (Strike - 2)"** is the Target Exposure in respect of the Valuation Day falling 2 Valuation Days prior to the Strike Date;  
**"Target Exposure (t-2)"** is the Target Exposure in respect of the Valuation Day falling 2 Valuation Days prior to Valuation Day (t) ("Valuation Day (t-2)");  
 and  
**"Asset Weight (t-1)"** is the Asset Weight in respect of Valuation Day (t-1)
- 24 Target Exposure: In respect of any Valuation Day (t) from (and including) two Valuation Days prior to Strike Date, Target Exposure is determined in accordance with the following formula:  

$$\text{Target Exposure (t)} = \frac{9\%}{\text{Vol(t)}}$$
- 25 Vol: In respect of any Valuation Day (t) from (and including) two Valuation Days prior to the Strike Date, to (and including) the Final Valuation Date, Vol (t) is defined as:  

$$\text{Vol (t)} = \text{Max (Vol 21d (t) , Vol 84d (t))}$$
 Where,  

$$\text{Vol 21d (t)} = \sqrt{\frac{252}{21} \times \sum_{k=1}^{21} (\text{Asset Return (t - k, t - k + 1)})^2}$$

$$\text{Vol 84d (t)} = \sqrt{\frac{252}{84} \times \sum_{k=1}^{84} (\text{Asset Return (t - k, t - k + 1)})^2}$$
- 26 Asset Return In respect of any Valuation Day (t), Asset Return (t-1, t) is calculated in accordance with the following formula:  

$$\text{Asset Return (t - 1, t)} = \ln \left( \frac{\text{Asset Value (t)}}{\text{Asset Value (t - 1)}} \right)$$

## General Provisions

- 27 Financial Centre(s): Not Applicable
- 28 Additional or other Certificate Agent: Certificate Agent:  
 Agent(s) and specified office(s), The Bank of New York Mellon (Luxembourg) S.A.  
 in addition to the Principal Vertigo Building - Polaris

	Certificate Agent:	2-4 rue Eugène Ruppert L-2453 Luxembourg
29	Stock Exchanges to which application will initially be made to list the Certificates:	None
30	Entities (other than stock exchanges) to which application for listing and/or approval of the Certificates will be made:	None
31	Certificate Codes:	ISIN: GB00BBFKQX60  Common Code: 094254345
32	National Clearance System(s):	None
33	Delivery:	Delivery against payment
34	Calculation Agent:	Credit Suisse International
35	Dealer(s):	Credit Suisse International
36	Certificateholder Early Redemption:	Not Applicable

#### **Additional Provisions**

37	Additional Provisions:	The Asset Terms set out in Annex 1 to this Pricing Supplement shall apply to the Certificates
38	Construction:	For the avoidance of doubt, as used in the Conditions, (a) in relation to a term of any formula, "t" means the value of that term for the relevant day or period, as the case may be, and, in relation to other terms in that formula: (i) references to "t" shall be to the value of that term at the same day or period, respectively; and (ii) references to "t" plus or minus a specified number (i.e. "t+1", "t+2", or "t-1") shall be to the value of that term for the day or period, as the case may be, falling that specified number of days or periods, respectively, after or before, as the case may be, the day or period to which "t" relates, (b) in relation to any day or period, as the case may be, "t" means the relevant day or period, respectively and, in respect of that day or period, references to "t" plus or minus a specified number (i.e. "t+1", "t+2", or "t+3") shall be to the day or period falling that specified number of days or periods, respectively, after or before, as the case may be, the day or period to which "t" relates, (c) in relation to a term of any formula "o" means the value of that term for the initial specified day or period, as the case may be, and, in relation to any day or period, as the case may be, means the initial specified day or period, respectively, and (d) in relation to a term of any formula "i" means the value of that term for the day or period, as the case may be, immediately following the initial specified day or period,

respectively, and, in relation to any day or period, as the case may be, means the day or period, respectively, immediately following the initial specified day or period.

39 Business Days:

Unless otherwise specified, calculations made by the Issuer in respect of the Asset for Valuation Day<sub>t</sub> shall be made for the respective Fund Business Day which falls on the same calendar day as Valuation Day<sub>t</sub> provided that where such Fund Business Day does not fall on the same calendar day as Valuation Day<sub>t</sub>, then the Asset Value shall be that for the respective Fund Business Day falling immediately after the respective Valuation Day<sub>t</sub>.

Nothing in the foregoing shall limit the Calculation Agent, acting in a commercially reasonable manner, in adjusting the Asset Value published in respect of the Initial Valuation Date and the Final Valuation Date to consider circumstances in which, despite the best efforts of the Issuer or its affiliate to transact any hedge in relation to the Certificates, the Issuer or its affiliate was prevented for any reason from transacting at the Official Net Asset Value as published in respect of such Initial Valuation Date and the Final Valuation Date. In such circumstances, the Asset Value shall be adjusted to equal that value as transacted.

Nothing in the foregoing shall limit the ability of the Issuer to make estimates in any manner specified elsewhere in the Conditions. Notwithstanding the foregoing or anything else contained in the Conditions, should the Issuer determine, in good faith and in a commercially reasonable manner, that in order to give effect to the methodology described in this Pricing Supplement it is necessary to make calculations on a day that is not a Calculation Business Day then the Issuer shall be permitted to make such calculations on such calendar day as it shall see fit.



## Investment Considerations

*An investment in a Series of Certificates involves certain risks. Accordingly, you should consider carefully all of the information set out in this Pricing Supplement and, in particular, the considerations described below and in the annexures to this Pricing Supplement, before you make any decision to invest in a Series of Certificates.*

### General

#### 1. Product Specific Investment Consideration

##### (i) Certificates Overview

The Certificates provide investors with a financial return which is linked to the performance of the Reference Portfolio. Such Reference Portfolio comprises of a notional investment into the Asset and the Cash Index, less the Fee accrued on a daily basis. The allocation of the Reference Portfolio is made in accordance with the Volatility Target Mechanism (as defined below) which is linked to the historical volatility of the Asset, as described below. At the Redemption Date, the Redemption Amount of the Certificates is equal to the Factor (EUR 1000) multiplied by the greater of (a) 0 and (b) the difference between (i) the ratio of the Reference Portfolio Value on the Final Valuation Date and on the Strike Date; and (ii) the Strike (equal to 100 per cent.). The Certificates will pay EUR 0 at the Redemption Date, should the Reference Portfolio Value on the Final Valuation Date be less than or equal to the Reference Portfolio Value on the Strike Date. The Redemption Amount of the Certificates is not capital protected, and investors should be prepared to sustain a loss of their entire investment in the Certificates.

##### (ii) What is Volatility?

Volatility can be considered to be a measure of risk for a given underlying asset, due to the uncertainty of the future price or value of such asset. Volatility as a measure of risk may be determined on a historical basis (known as "Realised Volatility"). Realised Volatility can be calculated formulaically with reference to the magnitude of daily price movements (in either direction) for the relevant underlying asset. For example, an asset whose price moves by 5% (in any direction) each day has a higher volatility than an asset whose price moves by 1% (in any direction) each day.

##### (iii) Volatility Target Mechanism

The underlying Reference Portfolio makes use of a Volatility Target Mechanism which is designed to provide investors with a positive exposure to the performance of the Reference Portfolio, within a rules-based allocation mechanism that aims to limit the risk (measured as the Realised Volatility of the Reference Portfolio) to a prescribed target level of 9 per cent..

The dynamic allocation mechanism assigns weights to both the Asset and the Cash Index within a hypothetical Reference Portfolio. Weights are determined (on a daily basis) as a function of the Realised Volatility of the Asset. The more volatile the Asset, the lower the allocation of the Reference Portfolio assigned to the Asset, with the remainder of the Reference Portfolio allocated to the Cash Index. This mechanism aims to keep the Realised Volatility of the Reference Portfolio close or below the prescribed target volatility level by formulaically rebalancing the exposure of the Reference Portfolio to the Asset and the Cash Index, on the basis of the Realised Volatility of the Asset.

In general, high Realised Volatility of assets is often observed during periods of negative performance of such assets. As a result, Volatility Target Mechanisms may be employed as a technique to limit the risk of an investment, by controlling the exposure of the underlying Reference Portfolio to the Asset. The risk of the underlying Reference Portfolio is not the sole determinant of the return achieved by investing in such Certificates. See below for further information regarding how the Volatility Target Mechanism may affect the Redemption Amount of the Certificates.

**(iv) Volatility Target Disclosures**

Investors should note that the volatility target mechanism (the “Volatility Target Mechanism” or the “Mechanism”) determines the proportion of the Reference Portfolio that is allocated to the Asset and to the Cash Index. The proportion of the Reference Portfolio which is allocated to the Asset may be less than 100 per cent. Therefore an investment in the Certificates is not equivalent to an investment into certificates which are linked solely to the performance of the Asset without the application of the Mechanism or a direct investment into the Asset. Specifically, investors should note that:

- Should positive performance of the Asset coincide with a period of high volatility of the Asset, the underlying Reference Portfolio may be less than 100% notionally exposed to the Asset in rising markets, which may result in relative underperformance of the Reference Portfolio as compared to the Asset. Therefore this may lead to the Redemption Amount of the Certificates to be lower or for such amount to be zero.
- The Reference Portfolio will underperform the Asset where the Reference Portfolio is 100% allocated to the Asset, due to the Fee that is being deducted from the performance of the Reference Portfolio.
- The Volatility Target Mechanism does not prevent negative performance of the Reference Portfolio. If the Asset performs negatively and the volatility of the Asset remains below the target level, the Mechanism will result in the Reference Portfolio being fully exposed to the negatively performing Asset.
- As the Volatility Target Mechanism is based on the historical volatility over a certain period, it is not certain that the volatility of the Reference Portfolio is equal to the targeted volatility.
- Due to the time lag in rebalancing the Reference Portfolio in order to meet the allocation determined by the Mechanism, the volatility of the Reference Portfolio may not meet the target volatility.

Investors that do not have knowledge and experience of Volatility Targets acquired through a previous investment should receive advice before making an investment decision. All of the above factors may result in the underperformance of the Certificates or in the redemption of the Certificates without payment.

**(v) Underlying Asset Disclosures**

Any Investors should note that at the time of the issuance of the Certificates, the underlying Asset is a non-UCITS fund.

**(vi) Issuer Risk Disclosures**

By investing into the Certificates, investors risk losing their invested capital and potential returns on their investment, in whole or in part, due to the insolvency of the Issuer (the "Issuer Risk"). Investors should, therefore, when making an investment decision, take into account the issuer's solvency and the associated risks.

**(vii) Certificate Disclosures**

The Certificates have an embedded optionality and the payoff resembles that of a warrant. By investing into the Certificates, investors acknowledge that they may lose their entire investment, should the performance of the Reference Portfolio be negative or flat. The return on investment for the investor is only positive if the realised return exceeds the Issue Price paid by the investor, net of any distribution fees.

**(viii) Additional Disclosures**

The Certificates involve complex risks and incorporate a financial derivative. Investors should recognise that they may expire worthless and should be prepared to sustain a total loss of the purchase price of the Certificates. The Redemption Amount of the Certificates depends on the performance of the Reference Portfolio. Unless the Reference Portfolio Value in respect of the Final Valuation Date is greater than the Reference Portfolio Value in respect of the Strike Date, the Redemption Amount shall be equal to zero. The risk reflects the nature of the Certificate which, other factors held constant, tends to decline in value over time and which may become worthless at the Redemption Date. Assuming all other factors are held constant, the more the Certificate is "out of the money" and the shorter the remaining time to the Redemption Date, the greater the risk that investors will lose all or part of their investment. In order to recover and realise a return upon the investment, a purchaser must generally be correct about the direction, timing and magnitude of the anticipated change in the value of the Reference Portfolio.

## **2. Investment Suitability**

Based on an independent review and such professional advice as it deems appropriate, a prospective investor must determine that its acquisition of a Series of Certificates:

- (a) is fully consistent with its or, if it is acting as a fiduciary, with the beneficiary's financial needs, objectives and condition;
- (b) complies and is fully consistent with all investment policies, guidelines and restrictions that are applicable to it or, if it is acting as a fiduciary, to the beneficiary; and
- (c) is a fit, proper and suitable investment for it or, if it is acquiring Certificates of such Series as a fiduciary, for the beneficiary,

even though there are clear and substantial risks inherent in investing in Certificates of such Series.

## **3. Compliance with Applicable Laws**

The Issuer is not responsible for the lawfulness of the acquisition of Certificates of a Series by a prospective investor nor for compliance by that prospective investor with any law, regulation or policy applicable to it. A prospective investor may not rely on the Issuer when making determinations in relation to these matters. If a prospective investor is in any doubt as to the action it should take with respect to a

Series of Certificates, such prospective investor should immediately seek its own financial advice from its stockbroker, bank manager, legal adviser, accountant or other independent financial adviser.

#### **4. No Provision of Advice**

The Issuer is not a source of advice, information or credit analysis with respect to the Asset or any underlying asset. In particular, this Asset Supplement (together with the relevant Product Supplement) does not constitute investment advice.

#### **5. Non-Public Information**

The Issuer and its affiliates may have or acquire non-public information with respect to the Asset or any underlying asset that will not be provided to Certificateholders.

#### **6. Relationship of Agency and Trust**

Neither the Issuer or its affiliates, the Calculation Agent, nor any service provider will assume any obligation to or relationship of agency or trust with Certificateholders.

#### **7. Nature of the Asset**

In respect of each Series of Certificates, the Reference Portfolio and the Asset are notional investments that will appear in the books and records of the Issuer but will not actually exist.

#### **8. No Interest in the Asset**

The Certificates are debt obligations of the Issuer, the return on which depends, amongst other things, on the performance of the Asset. An investment in a Series of Certificates does not give a Certificateholder an interest in the Asset, Reference Portfolio or any underlying asset nor does it give the Certificateholder any right to control the actions of the Asset, any underlying asset or any service provider. In order to offset (whether in whole or in part) its liability under a Series of Certificates, the Issuer or a third party may own an interest (directly or indirectly) in the Asset, however, there is no requirement that any such person must maintain such an interest or as to the size of any such interest.

#### **9. Potential Conflicts of Interest**

The Issuer, the Calculation Agent, the Hedging Entity and any of their affiliates who are service providers may face a conflict of interest between their obligations to the Asset in these positions and their interests in other capacities. In such circumstances, each of the Issuer, the Calculation Agent, the Hedging Entity and such of their affiliates who are service providers may resolve conflicts of interest in their own favour. In addition, the Issuer or its affiliates may serve as a prime broker in respect of any underlying asset in which the Asset has invested or in respect of funds invested in by such underlying assets (as the case may be).

#### **10. No Guarantee as to Performance**

The investment return on a Series of Certificates (that is, any return on the Certificates in excess of the amount initially invested) will depend, inter alia, on the performance of the underlying assets. The Issuer makes no guarantee or representation of any kind in relation to the performance of the underlying assets, the value of which may go down as well as up, nor does the Issuer guarantee that the value of any underlying assets will increase in value over the term of the Certificates of a Series or that any investment return on such Certificates will be at a level desirable to the Certificateholder. Any prospective purchaser

should have such knowledge and experience in financial and business matters and expertise in assessing market risk that it is capable of evaluating the merits, risks and suitability of investing in the Certificates of a Series. The Issuer does not purport to be a source of information on market risks with respect to the Asset.

## **11. Formula Based Calculations**

The notional allocations and deductions to determine the value of the Reference Portfolio or the Asset relating to a Series of Certificates are rule-based and, in the absence of a special event, not at the discretion of the Issuer or any other party.

## **12. Lack of Correlation**

Due to impact of fees and any applicable foreign exchange hedge or coupons and other factors particular to a Series of Certificates, changes in the value of the Series of Certificates will not directly correlate to changes in the respective Asset Value over the term of such Series of Certificates. Investors should note how the fees and interest charges affect the return of the Certificates.

## **13. Exchange Rate Risk**

The Asset may be denominated in a currency other than the Settlement Currency of the Certificates. A decline in the value of the currency of the Asset against the Settlement Currency of the Certificates may result in the decrease in the value of the Series of Certificates.

## **14. Asset Adjustment Event**

On the occurrence of an Asset Adjustment Event, the Calculation Agent may make an adjustment it deems appropriate in a commercially reasonable manner to any variable or payment amount in respect of the Certificates reflect such Asset Adjustment Event. The Calculation Agent shall not be liable to any person for losses resulting from (i) any determination that the Asset Adjustment Event has occurred or has not occurred in relation to the Asset, (ii) the timing relating to the determination that an Asset Adjustment Event has occurred or (iii) any adjustments made or not made by the Issuer as a result of such determination that an Asset Adjustment Event has occurred.

## **15. Asset Disruption Event**

Payments or any required calculation required as of a Valuation Day, an interim payment date or the Redemption Date in respect of the Certificates subject to an Asset Disruption Event may be delayed or calculations may need to be made on an estimated basis, or an adjustment to any variable or payment amount in respect of the Certificates may be made as a result of such Asset Disruption Event. Investors should note how an Asset Disruption Event affects a Series of Certificates, as described in the Asset Terms and Pricing Supplement Terms relating to the Certificates.

## **16. Asset Termination Event**

Where applicable, the Certificates may be redeemed earlier than the scheduled Redemption Date where an Asset Termination Event has occurred. The occurrence of an Asset Termination Event is outside the control of the Issuer and the Issuer does not accept responsibility for any loss caused to a Certificateholder as a consequence of the early redemption of the Certificates.

## **17. Discretion in Management of the Asset**

The Asset and the Fund Manager will operate with broad discretion in order to achieve the investment strategy of the relevant Asset, in particular in relation to the selection of underlying assets and the strategy categories of the Asset.

## **18. Discretion of Calculation Agent in respect of the Certificates**

The Calculation Agent in respect of the Certificates will, in certain circumstances, operate with discretion in order to achieve the calculations and determinations required of it under the Conditions.

## **19. Fees on Investments of the Asset**

The Asset may make investments in underlying assets that may be subject to issue and redemption charges and to management, administration and incentive or performance fees payable by the Asset.

## **20. Key Personnel**

The Fund Manager and the Asset may often rely on individuals to determine their investment strategies and to make investment decisions. The loss of such individuals could jeopardise the performance of the Asset.

## **21. Early Redemption**

A Series of Certificates may, in certain circumstances, be redeemed earlier than the scheduled Redemption Date, including, at the option of the Issuer and if so specified in the Pricing Supplement, if an Asset Termination Event occurs or for specified tax or legal reasons as detailed in the General Conditions. If the Issuer redeems a Series of Certificates early, the Issuer will, if and to the extent permitted by applicable law, pay each Certificateholder the Early Redemption Amount relating to that Series of Certificates on the date specified in the Conditions of that Series of Certificates. Such Early Redemption Amount is not protected and will be calculated in accordance with the Asset Terms.

## **22. Return**

There is no assurance that any return on an investor's initial investment in Certificates of a Series will be equal to or exceed the return that such investor might have achieved by placing the principal amount of his investment on deposit.

## **23. Long-term Investment**

An investment in a Series of Certificates should be viewed as a long-term investment. There can be no assurance that investors who transfer or assign their interest in Certificates of that Series before the scheduled Redemption Date of that Series of Certificates will achieve a return on their investment at a level they desire or at all.

## **24. Risk Factors relating to the Asset and/or the Underlying Assets**

The principal risk factors to which the Asset and/or the underlying assets are subject are as follows:

**(ix) Past Performance**

The value of shares or units in the Asset and/or the underlying assets and the income from them may fluctuate significantly. Past performance of the Asset and/or the underlying assets cannot be considered a guarantee of, nor necessarily a guide to, future performance.

**(x) Return**

The Asset and/or the underlying assets may make investments in a number of different countries and denominated in a number of different currencies; the value of the Asset and/or the underlying assets may, therefore, be materially affected by exchange rate fluctuations, possible restrictions on the convertibility of the currencies in question and also by political and economic developments in the relevant countries. Certificates are subject to both actual and perceived measures of the creditworthiness of the issuer of such Certificates and there can be no assurance of protection against the default by an issuer of its repayment obligations.

**(xi) Market Fluctuations**

Some of the companies in which the Asset and/or the underlying assets invest may be affected by changes in the market for their products or services. The value of shares may also fall, at times sharply, due to stock market trends, regardless of the strength of the particular issuer. This may lead to volatility in the net asset value of the Asset and/or the underlying assets. Where the Asset and/or the underlying assets invest in unlisted shares and certain other financial assets, additional risks associated with reduced liquidity and lack of objective valuations arise.

**(xii) Limited Operating History**

Certain of the Asset and/or the underlying assets may have limited operating history, with no proven track record in achieving their stated investment objectives.

**(xiii) Investment in Emerging Markets**

The Asset and/or the underlying assets may invest in emerging markets. These involve special risks not associated with more established capital markets, for example Western Europe, and include risks attributable to nationalisation, expropriation or confiscatory taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions. The capital markets in such countries have substantially less volume, and are generally less liquid and more volatile, than comparable Certificates in more developed markets. Disclosure and regulatory requirements could be less stringent than in other markets, with a low level of monitoring and limited and uneven enforcement of existing regulations. The risk associated with these investments is limited to the Asset and/or the underlying assets making them.

**(xiv) Investment Strategy**

The Asset and/or the underlying assets may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any other person. In addition, it is not possible to monitor individual investments made by the Asset and/or the underlying assets and it may not be possible to determine whether or not they are adhering to any particular investment strategy or what the principal risks associated with their current activities are.

**(xv) Regulation**

The Asset and/or the underlying assets, or some of them, may be wholly unregulated investment vehicles.

**(xvi) Key Personnel**

The Asset and/or the underlying assets may often rely on individuals to determine their investment strategies and to make investment decisions. The loss of such individuals could jeopardise the performance of the Asset and/or the underlying assets.

**(xvii) Use of Derivative Instruments and Leveraging**

The Asset and/or the underlying assets may trade in futures, options, forward exchange contracts and other derivative instruments. These may represent significant investment risks and are only suitable for investors who understand the risks involved in trading in sophisticated and volatile markets. The risk associated with them is limited to the Asset or the underlying assets using them. In addition, the Asset and/or the underlying assets may acquire leveraged trading positions. As a result, relatively small price movements may result in substantial losses or gains.

## **25. Taxation of Investors**

Investors may be subject to taxation in their own jurisdiction on any income or capital gain that such investor derives, or is deemed to derive, from their investment and, consequently, investors should seek their own tax advice before considering an investment in Certificates of a Series.

## **26. Long-term Investment**

An investment in a Series of Certificates should be viewed as a long-term investment. There can be no assurance that investors who transfer or assign their interest in a Series of Certificates before the Redemption Date of that Series of Certificates will achieve a return on their investment at a level they desire or at all.

## **27. Market**

**(i) Liquidity**

Investors should note that there can be no assurance as to the liquidity of any trading market for any Series of Certificates or that an active public market will develop.

**(ii) Exchange Rate Impact**

Any returns on, and the value of, a Series of Certificates may be materially affected by exchange rate fluctuations, local exchange control and other restrictions, including restrictions on the convertibility of the Settlement Currency of such Series of Certificates.

**(iii) Past Performance No Guide to Future Performance**

The value of investments and the income from them may fluctuate significantly. Past performance cannot be considered a guarantee of, nor necessarily a guide to, future performance.



**(iv) Remittance of Income and Gains**

Remittance of income and capital gains generated by underlying investments in certain countries may be dependent on there being liquidity in the relevant local currency and the absence of foreign exchange controls which inhibit or prevent the repatriation of such gains.

**28. All Calculations may rely on external data**

All calculations in respect of the Certificates may rely on data from external providers. While Credit Suisse International and/or its affiliates ("Credit Suisse") intends to use well established and reputable providers, there is a risk that this data may be inaccurate, delayed or not up to date. There is also a risk that while the data is accurate, the data feed to Credit Suisse is impaired. The risk of such impairment may be borne by investors in the Certificates.

**29. All Calculations may rely on Credit Suisse infrastructure and electronic systems**

All calculations in respect of the Certificates may rely on Credit Suisse infrastructure and electronic systems (including internal data feeds). Any breakdown or impairment to such infrastructure or electronic systems for any reason could affect such calculations. The risk of such breakdown or impairment shall be borne by investors in the Certificates. Neither Credit Suisse nor its affiliates shall be under any liability to account for any loss or damage incurred by any person in connection with such breakdown or impairment.

**30. Interest Rate Risk**

Interest on the Cash Index is subject to a floating rate of interest that will be subject to changes in market conditions (including, without limitation, the supply and demand in money markets which are influenced by governments and central banks as well as speculation and other macroeconomic factors). Such changes could adversely affect the performance of the Certificates.

## ANNEX 1

### ASSET TERMS

#### Asset Termination

If the Calculation Agent deems, determines or declares that:

- (i) a Fund Termination Event has occurred; or
- (ii) the Asset does not comply with a Fund Inclusion Condition;

(each an **"Asset Termination Event"**, then the Calculation Agent, may, in its sole discretion, at any time:

- (i) waive such Asset Termination Event;
- (ii) declare an early redemption date (the **"Optional Early Redemption Date"**), on which date all of the Certificates will be redeemed before the Scheduled Redemption Date for an amount per Certificate equal to the Early Redemption Amount.

and may make any adjustment it deems appropriate to the Asset Value, the Redemption Amount or any other calculation item as a result of such an event.

**"Early Redemption Amount"** means the prevailing bid price as of the Optional Early Redemption Date which the Issuer would quote to a market participant for the purchase of the Certificates on such date, based on factors, including but not limited to the estimated value of the Asset and the Redemption Amount, the historical Asset Value, the level of implied volatility, the remaining time to the Redemption Date, the prevailing EUR interest rates and any other relevant rates. Notwithstanding anything contained elsewhere in this Prospectus, the Calculation Agent shall take into account any Asset Disruption Event, Asset Termination Event or Asset Adjustment Event that affects any determination in this definition in such manner as it sees fit.

The Calculation Agent is under no obligation to monitor compliance of the Asset with the Fund Inclusion Conditions, nor to monitor whether an Asset Termination Event has occurred. The Calculation Agent shall not be liable to any party or person for losses resulting from violations of the Fund Inclusion Conditions or failure to effect an Asset Termination Event.

A **"Fund Termination Event"** occurs if, in the determination of the Calculation Agent, (i) any of the following events occurs on or after the Issue Date in respect of investors generally, or such event actually occurs with respect to the Hedging Entity or (ii) publication of a notice or other dissemination of information in respect of the Asset which indicates that any such event will occur on or after the Issue Date. Unless otherwise specified, the Hedging Entity will make all determinations as to the occurrence of a Fund Termination Event in its sole discretion in good faith, including determinations as to

materiality or the success or acceptability of any cure, mitigation or replacement:

- (a) in respect of the Asset, any of the events set out in paragraph (i) to (xiv) below:
  - (i) the winding-up, dissolution, liquidation or other cessation of trading of the Asset or an Asset's service provider, unless the affected service provider is replaced with an acceptable successor;
  - (ii) any litigation, arbitration, investigation, proceeding or regulatory or governmental action is made and is continuing in relation to the activities of the Asset or any service provider for reasons of any alleged wrongdoing, breach of any rule or any regulation or other similar reason, which allegation would, if true, in the determination of the Hedging Entity, have a material adverse effect on the Asset Value;
  - (iii) loss of an applicable licence or regulatory authorisation applying to the Asset or any service provider or any replacement service provider (unless the Hedging Entity determines that such event is immaterial);
  - (iv) the instigation or resolution of any legal action, arbitration or equivalent measure (including as a result of any allegation of fraud or misdealing) or the resolution of any material legal action, arbitration or equivalent measure (including when instigated prior to the Issue Date) against the Asset or any service provider which proceedings, if successful, would, in the determination of the Hedging Entity, have a material adverse effect on the Asset Value;
  - (v) a material change (as determined by the Hedging Entity) to the legal constitution or management of the Asset including, but not limited to, a change in the Fund Manager, or a material change in the Asset's or Fund Manager's organisation or management (including, but not limited to, a merger or other reorganisation event) which materially alters the nature of the Asset or the nature and role of the Fund Manager in relation to the Asset;
  - (vi) a material modification (as determined by the Hedging Entity) of the provisions relating to investment objectives, strategies, restrictions and requirements of the Asset (the "Investment Objective and Strategy") as set out in the Asset's Prospectus;
  - (vii) a material breach (as determined by the Hedging Entity) of the Investment Objective and Strategy as set out in the Asset's Prospectus where such breach has not been cured within 15 calendar days to the reasonable satisfaction of the Calculation Agent, but such cure period shall not apply in respect of any third or subsequent such breach;
  - (viii) a breach of the Investment Objective and Strategy on three or more separate occasions, where the cure period set forth above shall not apply for the third or subsequent such breach;

- (ix) the aggregate net asset value of the Fund falls below EUR 40,000,000;
  - (x) the aggregate net asset value of assets managed by the Fund Manager falls below EUR 80,000,000;
  - (xi) the Asset's accounting currency changes;
  - (xii) the Asset adopts series accounting or equalisation treatment or another similar mechanism, such that the Hedging Entity is not able to make a single unitised investment in an Asset equivalent to the single unitised investment used in the calculation of the Official Net Asset Value, unless such application has been agreed by the Hedging Entity;
  - (xiii) a breach by the Fund Manager or any affiliate of the Fund Manager of any agreement with the Hedging Entity;
- (b) in respect of any of the events set out in paragraphs (i) to (ix) below that is not remedied reasonably promptly by the Asset (or within the applicable cure periods specified) to the reasonable satisfaction of the Hedging Entity and that, in the sole determination of the Hedging Entity acting in good faith, has a material effect on the ability of the Hedging Entity to hedge its obligations arising under the Certificates.

#### Liquidity

- (i) a mandatory redemption, imposed on the holders of the Asset Units, occurs (in whole or in part) in relation to any holding of Asset Units by the Hedging Entity;
- (ii) the Asset charges the Hedging Entity a transaction fee or equivalent for investments and/or disinvestments in the Asset
- (iii) the Hedging Entity is unable to invest in or liquidate an Asset Unit on a scheduled transaction day for the Asset
- (iv) the Asset's subscription or redemption terms in respect of an Asset Unit provide (a) for subscriptions or redemptions less frequently than the Subscription Frequency and Redemption Frequency, respectively, stated in the below tables, (b) for notification periods in respect of subscriptions or redemptions longer than the Subscription Notice Period and Redemption Notice Period, respectively, as stated in the below tables, and (c) for settlement periods in respect of redemptions longer than that provided in the Redemption Settlement.

#### **Subscriptions Table:**

<b>Subscription Frequency</b>	<b>Subscription Notice Period</b>	<b>Subscription Settlement</b>
Daily	1 Business Day before the dealing day	Same Day

**Redemptions Table:**

<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>	<b>Redemption Settlement</b>
Daily	1 Business Day before the dealing day	2 <sup>nd</sup> Business Day following the dealing day

- (v) the Asset changes the fee levels of the Asset, including the fee for the purchase of Asset Units or the redemption fee for the redemption of Asset Units;
- (vi) the Hedging Entity is unable to subscribe or redeem Asset Units on a scheduled day on which the Asset affects the redemption and subscription of an Asset Units as stated in an Asset's Prospectus.

Implementation of taxes and of other charges

- (vii) the Asset suffers a material adverse change in its legal, regulatory, accounting or tax treatment to such extent that this would or does adversely affect the Hedging Entity as an investor in such Asset or it becomes subject to taxes or other similar fees payable in respect of an investment or disinvestment in the Asset and in each case, such change has not been cured within 30 calendar days, provided that the Hedging Entity shall use reasonable efforts to mitigate any such effect.
- (viii) as a result of (a) any adoption of, or change in, law or regulation or its interpretation, (b) any determination of a regulatory or taxation authority applicable to the Hedging Entity or Asset, or (c) the application of the Hedging Entity's regulatory capital treatment or funding treatment of the Certificates or its associated hedging arrangements or any change thereto, whereupon: (1) it becomes unlawful or prohibited for the Hedging Entity (including any adverse change in restrictions imposed by or on the Hedging Entity) to hold, purchase, sell, redeem or otherwise create, transfer or receive any interest in the Asset; (2) the cost of the hedging arrangements in respect of the Certificates would be materially increased (including circumstances (A) requiring the Hedging Entity to adversely modify any reserve, special deposit, funding arrangement or similar requirement imposed by or on the Hedging Entity, (B) that would adversely affect the amount or cost of regulatory capital that would have to be maintained in respect of its hedging arrangements, or (C) which subject the Hedging Entity to any loss or additional taxation); or (3) there would be a material decline in the Asset Value.

#### Reporting Obligations

- (ix) the Asset, in the reasonable determination of the Hedging Entity, materially breaches any reporting obligations set out in an Asset's Prospectus.

#### Fund Inclusion Conditions

- (i) **Liquidity:** the Asset shall offer investors the ability to redeem Asset Units held by them or to subscribe for further Asset Units on each Fund Business Day based on that Asset's Official Net Asset Value for such day provided proper same day notice procedures are followed by an investor (the Asset's terms for payout of redemption proceeds need not be same day, but can be up to five (5) Calculation Business Days);
- (ii) **Fee Structure:** the Asset shall not charge the Hedging Entity (i) a subscription fee for the purchase of units in that Asset or (ii) a redemption fee for the redemption of units in that Asset, or (iii) taxes of other similar fees payable in respect of a purchase or redemption of units in the Asset;
- (iii) **Minimum Fund Size:** The Asset shall have a minimum net market value (as reported by its fund manager) of at least EUR 40,000,000 or any lower amount that is acceptable to the Hedging Entity in its sole discretion;
- (iv) **Publication Requirement:** The Asset shall report an Official Net Asset Value for each business day applicable to it, which shall be reported by its Fund Manager no later than the close of business on the following business day of the Asset.

#### **Asset Disruption Events**

An Asset Disruption Event occurs if the Hedging Entity deems, determines or declares that there is a Fund Disruption Event or Market Disruption Event.

Where the Hedging Entity determines that an Asset Disruption Event has occurred in respect of a Valuation Day (the "**Disrupted Valuation Day**"), the Hedging Entity may choose to:

- (i) make any calculation, determination or adjustment of any variable in respect of the Certificate and make any payment (in cash or other consideration), using an estimate of such variable determined in a commercially reasonable manner provided that such estimate shall take into account an amount, as determined by the Hedging Entity, in compensation for a UK investor (the "**Hypothetical Investor**") to reflect the risk that it would take in holding any Asset Units or other financial instrument as a hedge for the Certificates but which it is unable to redeem or liquidate in full and without any restriction imposed whatsoever as of or at any time after the Disrupted Valuation Day;

or

- (ii) not make any payment, calculation in respect of the Disrupted Valuation Day and such Disrupted Valuation Day shall be postponed, until the day in respect of which an Asset Disruption Event ceases to exist, (such Valuation Day being the **"Postponed Valuation Day"**).

The Hedging Entity may declare an Asset Termination Event where the Asset Disruption Event exists and subsists as of the expiration of a number of days subsequent to the Disrupted Valuation Day equal to the Fund Disruption Period following a Fund Disruption Event, or the Market Disruption Period following a Market Disruption Event.

**"Fund Disruption Period"** means 7 calendar days

**"Market Disruption Period"** means 14 calendar days

Where the Postponed Valuation Day falls or, in the determination of the Hedging Entity, is expected to fall, after any interim payment date and/or the Redemption Date then the respective interim payment date and/or Redemption Date shall be postponed until the third Business Day after which the Hypothetical Investor would receive in full the proceeds in respect of the redemption of the Asset that it would hold as a hedge for the Certificate unless the Hedging Entity determined that an amount can be paid earlier by the Hedging Entity.

**"Fund Disruption Event"** means any of the following events in respect of the Asset:

- (i) A failure, suspension or postponement in the reporting or publishing of the Official Net Asset Value in respect of the Asset as regularly scheduled, taking into account the relevant cure period, or any event that prevents the Official Net Asset Value in respect of the Asset so published from being received by the people to whom it is published, whereby such event is, in the determination of the Hedging Entity, material;
- (ii) Any circumstances where, although the Official Net Asset Value of an Asset is published,
  - a. The Hedging Entity reasonably determines that such value is not accurate or that any transaction in respect of the Asset could not be transacted at such value or with a cash consideration in full, and to be received as regularly scheduled; and
  - b. The Hedging Entity notifies the Fund Manager of its determination in this regard, and the Fund Manager does not remedy this to the satisfaction of the Hedging Entity within 2 Calculation Business Days.
- (iii) The inability of a Hypothetical Investor, if holding Asset Units as a hedge for the Certificates, to liquidate Asset Units or any other interest received by the Asset when scheduled (including any change to the notice period to redemption or subscriptions, any gating, side-pocketing or other arrangement affecting the Hypothetical Investor);

- (iv) A postponement, suspension or failure of the Asset to make any payment in respect of the redemption of any interest in the Asset on any day for which such payment is scheduled to be made in accordance with an Asset's Prospectus;
- (v) The Hedging Entity not being permitted by the Asset to subscribe for or redeem interests in the Asset on a Fund Business Day in accordance with an Asset's Prospectus.

**"Market Disruption Event"** means any of the following events:

- (i) when the foreign exchange market or money market in U.S. dollars or EUR, is or are closed otherwise than for ordinary public holidays or if trading thereupon is restricted or suspended and, in the determination of the Hedging Entity, this would have a material impact on the ability of the Hedging Entity to determine the value of the transaction accurately, in a timely manner or at all or to execute a hedge in respect of the transaction in any such market;
- (ii) an event pursuant to which there is a breakdown in any means of communication normally used for the valuation by the Hedging Entity of all of or a substantial portion of the Asset or if the Fund Manager informs the Hedging Entity or the Hedging Entity determines at its own discretion that the last reported net asset value should not be relied upon;
- (iii) an event pursuant to which the Hedging Entity determines that a substantial number of transactions in relation to hedging the Certificates would be rendered impracticable or if purchases and sales in respect of hedging a substantial portion of the Certificate would not be capable of being effected; or
- (iv) any other event pursuant to which the Hedging Entity determines that the value of the Certificate cannot be promptly or accurately ascertained.

**Asset  
Adjustment  
Events**

the Hedging Entity may make any adjustment it deems appropriate to the Asset Value, the Redemption Amount or any other calculation item to reflect an Asset Adjustment Event if it determines any of the following events have occurred.

in respect of the Asset:

- (i) the Asset subdivides, consolidates, or reclassifies the Asset Units (including any side-pocket issuance or following an Underlying Disruption to a material portion of the Asset) or a distribution or dividend of the Asset Unit or any other interest in the Asset to any existing holder by way of bonus, capitalization, reorganization of the Asset or similar issue;

**"Underlying Disruption"** means a change in the liquidity, an inability to redeem, a suspension of redemption or a suspension in the publication of the Official Net Asset Value in relation to its investments.

- (ii) Any circumstances where, although the Official Net Asset Value of the Asset is published,
  - a. The Hedging Entity reasonably determines that such value is not



accurate or that any transaction in respect of the Asset could not be transacted at such value or with a cash consideration in full, and to be received as regularly scheduled; and

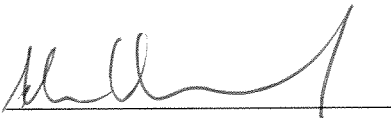
- b. The Hedging Entity notifies the Fund Manager of its determination in this regard, and the Fund Manager does not remedy this to the satisfaction of the Hedging Entity within 2 Calculation Business Days.
- (iii) The inability of the Hedging Entity to liquidate Asset Units in accordance with the Redemption Frequency, Redemption Notice Period and Redemption Settlement each as defined in the Redemptions Table (including the application of any gating, side-pocketing or other arrangement affecting the Hedging Entity) and any change in the subscription or redemption terms of the Asset Units including, but not limited to, the form of payment, schedule of payments or notice periods that were not otherwise applicable to the Hedging Entity as of the Issue Date.
- (iv) The Asset takes any action that may have a diluting or concentrative effect on the theoretical value of the Asset Units.
- (v) The Asset suffers a material adverse change in its accounting, regulatory or tax treatment which does or would adversely affect holders of the Asset Units, or where the Hedging Entity suffers or would suffer such adverse treatment as a result of the any adoption of any accounting, regulatory or tax treatment in respect of a holding of any Asset Units.
- (vi) The foreign exchange exposure in respect of a material part of an Asset is not being hedged.
- (vii) A material change in any fee arrangement that is in place on the Issue Date, temporary or otherwise, between the Hedging Entity and the Asset.
- (viii) A breach by the Fund Manager or any affiliate of the Fund Manager of any agreement with the Hedging Entity.

## ANNEX 2


### GENERAL DEFINITIONS

<b>Fund Business Day</b>	Means, in respect of the Fund, a day on which the Fund effects subscription and redemption requests and/or any day that is a day for which the Administrator or Fund Manager shall calculate the Official Net Asset Value per unit of the Asset..
<b>Fund Manager</b>	Means, in respect of the Fund, the entity specified in that Fund's Prospectus as responsible for providing investment management advice to that Fund and/or the Administrator and/or the executive committee, or other person responsible for providing financial information relating to that Fund to its investors.
<b>Official Net Asset Value</b>	Means the net asset value per unit of the Asset as calculated and reported by its Administrator for a Fund Business Day
<b>Prospectus</b>	Means, in respect of a Fund, the offering document for that Fund, as updated, reissued or supplemented from time to time.
<b>Asset Unit</b>	Means with respect to the Asset, a share or a notional unit of account of ownership of the Asset.
<b>Administrator</b>	Means, in respect of a Fund, the entity specified in that Fund's Prospectus as responsible for the administration of that Fund and the determination and reporting of the Official Net Asset Value of that Fund.
<b>Hedging Entity</b>	Means Credit Suisse International, Credit Suisse, London Branch or any affiliate of Credit Suisse International that holds or will hold Asset Units as part of its hedging activities in direct or indirect connection with the Certificates.

Signed on behalf of the Issuer:

By:   
Duly authorised

**Adam Whitefield**  
**Authorised Signatory**

By:   
Duly authorised

**Dominic Savage**  
**Authorised signatory**