

## Terms &amp; Conditions

#523211

Unit	X
Nominal	

New Issue	Type	Maturity Date	Capital Guarantee	Issue Price
Series N°4577	Certificate	Not Applicable	None	EUR 1,000.00

<b>Name</b>	“Forex Wave EUR/USD Diversified Portfolio” Zertifikat (the “ <b>Certificates</b> ”)
<b>Issuer</b>	Exane Finance
<b>Guarantor</b>	Exane Derivatives (Moody's: A3 / S&P: A-)
<b>Lead Manager</b>	Exane Limited
<b>Type</b>	Certificate
<b>Denominated Currency</b>	Euro (EUR)
<b>Issue Size</b>	20,000 Certificates
<b>Capital Guarantee</b>	None
<b>Launch Date</b>	24 August 2010
<b>Payment/Issue Date</b>	27 September 2010
<b>Initial Fixing Date</b>	30 September 2010
<b>Maturity Date</b>	Not Applicable
<b>Underlying</b>	Share class B in the FX Wave Diversified Fund Ltd (ISIN Code = VGG370531086), the “ <b>Fund</b> ”. Management company : FX Wave GmbH
<b>Issuer Redemption Option</b>	A notification for a total redemption of the Certificates may be sent by the Issuer on any Business Day after the 6 <sup>th</sup> anniversary of the Issue Date (the “ <b>Issuer Exercise Notice Date</b> ”). Partial Redemptions of the Certificates is not permitted. If applicable, Certificates are redeemed at the Redemption Amount on the Redemption Date as set out hereinafter.
<b>Investor Put Option</b>	Subject to the minimum amount set out hereinafter (the “ <b>Minimum Exercise Amount</b> ”), a notification for the partial early redemption request of the Certificates may be sent by each Holder on any Business Day after the 6 <sup>th</sup> anniversary of the Issue Date, Upon receipt by Exane Derivatives of this notification (the “ <b>Investor Exercise Notice Date</b> ”), Exane Derivatives will early redeemed the requested number of Certificates from the Holder at an amount equal to the Redemption Amount calculated as set out hereinafter where Final Fixing Date is replaced by Early Fixing Date. Such Redemption Amount shall be paid by Exane Derivatives on the Early Redemption Date. The Minimum Exercise Amount is equal to 100 Certificates or, if less, to the entire remaining number of Certificates held by the Holder.
<b>Final Fixing Date</b>	The Valuation Day which falls immediately after the day which is 6 calendar months after the Issuer Exercise Notice Date.
<b>Early Fixing Date</b>	The Valuation Day which falls immediately after the day which is 6 calendar months after the Investor Exercise Notice Date.
<b>Valuation Day</b>	A day as of which the net asset value of the Fund is calculated, i.e. the last business day in the UK, the Netherlands and Switzerland of each week as set out in the Fund's Private Placement Memorandum, available for consultation and a copy may obtained at the registered office of the Issuer.
<b>Redemption Date</b>	The Final Fixing Date plus 1 calendar month.
<b>Early Redemption Date</b>	The Early Fixing Date plus 1 calendar month.
<b>Redemption Amount</b>	The Redemption Amount shall be calculated as follows: $\text{EUR } 1,000 \times \frac{\text{FNAV}}{\text{INAV}} \times (1 - \text{Fees})^{nb \text{ years}}$

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	<p><u>Where:</u></p> <ul style="list-style-type: none"> <li>• “<b>nb years</b>” means the exact number of calendar days between the Issue Date and the Final Fixing Date divided by 365.</li> <li>• “<b>INAV</b>” is the actual price paid by Exane Derivatives for the execution of its subscription order on the basis of the official net asset value of the Fund calculated as of the Initial Fixing Date, expressed in EUR.</li> <li>• “<b>FNAV</b>” is the actual price paid to Exane Derivatives for the execution of its redemption order on the basis of the official net asset value of the Fund calculated as of the Final Fixing Date, expressed in EUR.</li> <li>• “<b>Fees</b>” = 1.50%</li> </ul>												
<b>Redemption Type</b>	Cash settlement only												
<b>Clearing</b>	Clearstream / Euroclear France												
<b>Listing</b>	Application will be made to list the Certificates on the Luxembourg Stock Exchange.												
<b>ISIN Code</b>	TBD												
<b>Common code</b>	TBD												
<b>Governing Law</b>	French Law												
<b>Documentation</b>	<p>The Certificates are governed by the conditions (the “<b>Securities Conditions</b>”) set forth in the Base Prospectus dated 4 December 2009, as supplemented by the First Supplement dated 5 February 2010 and the provisions set forth in the final terms applicable to the Certificates (the “<b>Final Terms</b>”).</p> <p>The Base Prospectus dated 4 December 2009 and the First Supplement dated 5 February 2010 are available on <a href="http://www.exane.com/exaneissues">www.exane.com/exaneissues</a>.</p>												
<b>Placement Conditions</b>	As of the Issue Date, this issue is subject to the payment of a fee to third parties in relation to its placement.												
<b>Secondary Market</b>	<p>On a daily basis, under normal market conditions, Exane Derivatives plans to contribute an offer price on Reuters EXANEDERIV &amp; Bloomberg EXANE (quotations including accrued interests if any).</p> <p>Bid price will not be contributed on the above media but will be quoted by Exane Derivatives upon request and under normal market conditions. Bid price will be calculated as the offer price minus 1% and minus the Repurchase Fee if applicable.</p> <p>Certificate purchases or sales will be executed on the basis of the net asset value of the Fund next available to Exane Derivatives for a subscription or redemption order of Fund shares sent by Exane Derivatives on the day following the receipt by Exane Derivatives of the Certificate purchase or sale order as the case may be (the “<b>Reference Net Asset Value</b>”).</p> <p>The Certificate’s offer or bid price will be adjusted to reflect the Reference Net Asset Value.</p>												
<b>Repurchase Fee</b>	<p>A Repurchase Fee will be deducted from the Bid price, in accordance with the following schedule:</p> <table border="1"> <thead> <tr> <th>From (and including)</th> <th>To (but excluding)</th> <th>Repurchase Fee</th> </tr> </thead> <tbody> <tr> <td>27 September 2010</td> <td>27 September 2011</td> <td>3%</td> </tr> <tr> <td>27 September 2011</td> <td>27 September 2012</td> <td>2%</td> </tr> <tr> <td>27 September 2012</td> <td>27 September 2013</td> <td>1%</td> </tr> </tbody> </table>	From (and including)	To (but excluding)	Repurchase Fee	27 September 2010	27 September 2011	3%	27 September 2011	27 September 2012	2%	27 September 2012	27 September 2013	1%
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27 September 2010	27 September 2011	3%											
27 September 2011	27 September 2012	2%											
27 September 2012	27 September 2013	1%											
<b>Trading Size</b>	5 Certificates minimum and multiples of 1 thereafter												
<b>Business Days</b>	TARGET												
<b>Financial Agent</b>	Exane S.A.												
<b>Calculation Agent</b>	Exane Derivatives												

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<b>Sales restrictions</b>	<p>Any applicable regulations in the US.</p> <p>The Certificates have not been approved by any competent authority for the purposes of making a non-exempt public offer in any EEA member state which has implemented Directive 2003/71/EC (the "Prospectus Directive") and must only be offered within such states in circumstances which do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive.</p> <p>An application will be made for a public offering in Germany.</p>
<b>Possible adjustments of Certificate</b>	<p>If the Calculation Agent determines that an Adjustment Event (as defined below) occurs, the Issuer will either :</p> <p>(1) continue to meet its commitments on the Certificates and will carry out the appropriate adjustments to the terms of the Certificate by using the suitable method as set out in the Final Terms and in the Base Prospectus depending on the type of Adjustment Event;</p> <p>Or</p> <p>(2a) in the case where the Adjustment Event occurs before the 6<sup>th</sup> anniversary of the Issue Date, pay seven calendar months after the 6<sup>th</sup> anniversary of the Issue Date an amount in EUR based on the market fair value of the Certificates as determined by the Calculation Agent, or</p> <p>(2b) in the case where the Adjustment Event occurs after the 6<sup>th</sup> anniversary of the Issue Date, pay one calendar months after the date of occurrence of the Adjustments Events an amount in EUR based on the market fair value of the Certificates as determined by the Calculation Agent.</p>
<b>Adjustment Event</b>	<p>With respect to the Fund, the events prompting Certificates adjustments are the following:</p> <ul style="list-style-type: none"> <li>- Consolidation, division, merger or demerger;</li> <li>- Suspension, deferral or change of conditions of subscription or redemptions;</li> <li>- Levy of subscription or redemption fees;</li> <li>- Changes affecting the manager or any service providers;</li> <li>- Change in listing, if any;</li> <li>- Nationalization or liquidation ;</li> <li>- Withdrawal of authorisations of the Fund manager or any service provider or sanction against the Fund;</li> <li>- Fund insolvency;</li> <li>- Change in Law;</li> <li>- Increased cost of hedging;</li> <li>- Reporting disruption;</li> <li>- Fund modification;</li> <li>- Change in the Fund's investment objective or breach of strategy;</li> <li>- Decrease in asset under management; increase in holding ratio;</li> <li>- Regulatory action;</li> <li>- Non-compliance with side agreements including, but not limited to, liquidity or rebate agreements;</li> <li>- Non compliance by the Fund with "know your fund procedures";</li> <li>- The outcome of a due diligence performed by or for the benefit of Exane Derivatives is deemed negative in the sole discretion of the Calculation Agent;</li> <li>- Any event which leads or may lead to a re-characterisation of the tax treatment of the Certificates in the hands of holders; or</li> <li>- Any event that, in the opinion of the Calculation Agent, increases or is likely to increase the risk profile of the Issuer or of Exane Derivatives as the Issuer's hedging counterparty.</li> </ul>

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## 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:**

**Name and Title:**

**Signature:**