

Terms & Conditions

#491703

Unit	X
Nominal	

New Issue	Type	Maturity Date	Capital Guarantee	Issue Price
Series N°3938	Certificate	Not Applicable	None	EUR 1,000.00

Name	“Forex Wave EUR/USD” Zertifikat (the “ Certificates ”)
Issuer	Exane Finance
Guarantor	Exane Derivatives (Moody's: A3 / S&P: A-)
Lead Manager	Exane Limited
Type	Certificate
Denominated Currency	Euro (EUR)
Issue Size	20,000 Certificates
Capital Guarantee	None
Launch Date	30 November 2009
Payment/Issue Date	8 December 2009
Initial Fixing Date	11 December 2009
Maturity Date	Not Applicable
Underlying	Share class B in the FX Wave Fund Ltd (ISIN Code = VGG3705W1041), the “ Fund ”.
Issuer Redemption Option	<p>A notification for a total redemption of the Certificates may be sent by the Issuer on any Business Day after the 6th anniversary of the Issue Date (the “Issuer Exercise Notice Date”).</p> <p>Partial redemptions of the Certificates is not permitted.</p> <p>If applicable, Certificates are redeemed at the Redemption Amount on the Redemption Date as set out hereinafter.</p>
Investor Put Option	<p>Subject to the minimum amount set out hereinafter, a notification for the partial early redemption request of the Certificates may be sent by each holder on any Business Day after the 6th anniversary of the Issue Date,</p> <p>Upon receipt by Exane Derivatives of this notification (the “Investor Exercise Notice Date”), 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.</p> <p>Minimum exercise amount: 100 Certificates or, if less, the entire remaining number of Certificates held by the holder.</p>
Final Fixing Date	The Valuation Day which falls immediately after the day which is 6 calendar months after the Issuer Exercise Notice Date or the Investor Exercise Notice Date as the case may be.
Early Fixing Date	The Valuation Day which falls immediately after the day which is 6 calendar months after the Holder Exercise Notice Date or the Investor Exercise Notice Date as the case may be.
Valuation Day	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.
Redemption Date	The Final Fixing Date plus 1 calendar month.
Early Redemption Date	The Early Fixing Date plus 1 calendar month.

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Redemption Amount	<p>The Redemption Amount shall be calculated as follows:</p> $\text{EUR } 1,000 \times \frac{\text{FNAV}}{\text{INAV}} \times (1 - \text{Fees})^{nb \text{ years}}$ <p>Where:</p> <ul style="list-style-type: none"> • “nb years” means the exact number of calendar days between the Issue Date and the Final Fixing Date divided by 365. • “INAV” 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. • “FNAV” 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. • “Fees” = 1.50% 								
Redemption Type	Cash settlement only								
Clearing	Clearstream / Euroclear France								
Listing	Application will be made to list the Certificates on the Luxembourg Stock Exchange.								
ISIN Code	FR0010832428								
WKN	A1BFLT								
Governing Law	French Law								
Documentation	<p>The Certificates issue shall be governed by the conditions (the “Conditions”) set forth in the Base Prospectus and the provisions set forth in the final terms applicable to the Certificates (the “Final Terms”).</p> <p>The Base Prospectus is available on www.exane.com/exaneissues.</p>								
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.								
Secondary Market	<p>On a daily basis, under normal market conditions, Exane Derivatives plans to contribute an offer price on Reuters EXANEDERIV & 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 on a weekly basis 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 “Reference Net Asset Value”).</p> <p>The Certificate’s offer or bid price will be adjusted to reflect the Reference Net Asset Value.</p>								
Repurchase Fee	<p>A repurchase Fee will be deducted to the bid price, with the following schedule:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Repurchase Fee</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>3%</td> </tr> <tr> <td>2</td> <td>2%</td> </tr> <tr> <td>3</td> <td>1%</td> </tr> </tbody> </table>	Year	Repurchase Fee	1	3%	2	2%	3	1%
Year	Repurchase Fee								
1	3%								
2	2%								
3	1%								
Trading Size	10 Certificates minimum and multiples of 1 thereafter								
Business Days	TARGET								
Financial Agent	Exane S.A.								
Calculation Agent	Exane Derivatives								

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Sales restrictions	<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>
Possible adjustments of Certificate	<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>(2) pay on the Maturity Date an amount in EUR based on the market fair value of the Certificates as determined by the Calculation Agent.</p>
Adjustment Event	<p>With respect to the Fund, the events prompting Certificates adjustments are the following:</p> <ul style="list-style-type: none"> - Consolidation, division, merger or demerger; - Suspension, deferral or change of conditions of subscription or redemptions; - Levy of subscription or redemption fees; - Changes affecting the manager or any service providers; - Change in listing, if any; - Nationalization or liquidation; - Withdrawal of authorisations of the Fund manager or any service provider or sanction against the Fund; - Fund insolvency; - Change in Law; - Increased cost of hedging; - Reporting disruption; - Fund modification; - Change in the Fund's investment objective or breach of strategy; - Decrease in asset under management; increase in holding ratio; - Regulatory action; - Non-compliance with side agreements including, but not limited to, liquidity or rebate agreements; - Non compliance by the Fund with "know your fund procedures"; - 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; - Any event which leads or may lead to a re-characterisation of the tax treatment of the Certificates in the hands of holders; or - 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.

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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: