DEFINED RETURNS IN UNPREDICTABLE TIMES
AUTOCALLS & SYNTHETIC ZEROS

THIS COMMUNICATION IS DIRECTED AT PROFESSIONAL CLIENTS AND SOPHISTICATED RETAIL CLIENTS IN THE UK

SOCIETE GENERALE

RISK WARNING

SG Autocalls and Synthetic Zeros are Securitised Derivatives* that are suitable for sophisticated UK retail and professional investors who have a good understanding of the underlying market and product characteristics. In particular, it is important that you understand that you could lose all your capital when investing in these products, even if held until maturity.

**A Securitised Derivative (SD) is a security listed on the London Stock Exchange and issued by a bank via an Issuing Programme which is approved by the UK Listing Authority. Final Terms are published for each SD detailing its specific characteristics and its pay-off at maturity. The product features given in the Final Terms are prescribed by the approved Issuing Programme.*

CONTENTS

KEY TERMS THAT YOU WILL COME ACROSS IN THIS GUIDE

TERM	DESCRIPTION
Underlying Asset	The index, share or commodity that the product's performance is linked to.
Initial Level	The closing level of the Underlying Asset on the product's launch date. The Initial Level is used to determine the Protection Level and Yield Level.
Protection Level	At maturity, capital is protected as long as the Underlying Asset closes at or above the Protection Level. If the Underlying Asset closes at a level below the Protection Level, capital is at risk.
Yield Level	The Yield level is the level that the Underlying Asset must be above on an Anniversary Date, or at maturity in order for an Autocall to generate a payout.
Investment Term	The fixed term between launch and maturity assuming the product does not expire early following one of the Anniversary Dates.
Anniversary Date	The annual date that is used to determine whether an Autocall should expire early or continue to the next Anniversary. The first Anniversary Date is typically one year after the launch of the product.
Defined Return	The percentage return based on the Issue Price.
Maximum Return	The total return that the product will pay at maturity subject to certain conditions being met.
Product Code	The unique identifier used to quote the code to your broker.
Issue Price	The price paid for one unit of the product at launch. The Issue Price for Listed Structured Products is typically either £100 or £1,000.
Eligibility	The investment account types that the product can be held in e.g. SIPP, Shares ISA, SSAS eligible*
UK Tax Treatment	Returns are intended to be treated as capital for UK tax purposes*

*Any statement in relation to tax, where made, is generic and non-exhaustive and is based on our understanding of the laws and practice in force as of the date of this document and is subject to any changes in law and practice and the interpretation and application thereof, which changes could be made with retroactive effect. Any such statement must not be construed as tax advice and must not be relied upon. The tax treatment of investments will, inter alia, depend on an individual's circumstances. Investors must consult with an appropriate professional tax adviser to ascertain for themselves the taxation consequences of acquiring, holding and/or disposing of any investments mentioned in this document.

THE IMPORTANCE OF DEFINED RETURNS

Professional and private investors around the world expect to achieve an average annual return of 7% on their portfolios, but is this a realistic figure? Taking inflation and costs into account, as well as today's unprecedented low interest rates, this 7% annual return looks to be rather optimistic. More worryingly, it is seemingly beyond the realms of cash, high grade investment bonds and other 'safe' assets such as gilts.

USING LISTED STRUCTURED PRODUCTS TO LOCK IN A DEFINED RETURN

In his *Financial Times* columns, David Stevenson frequently notes that "structured products can reward investors if used in the right way – their ability to produce 'defined returns' might go a long way to helping us achieve our estimates for long term returns".

In particular, Listed Structured Products can offer a defined return of between 6 and 10% per annum for taking on what might be called a 'lower risk' investment, which offers a degree of protection at maturity. In this guide we'll look in greater detail at how Autocalls and Synthetic Zeros might work for investors willing to take the time to understand how they work; what risks are involved; and what opportunities they could present for their own portfolios.

Trade like a share in your share dealing account

As the name would suggest, all Listed Structured Products are listed on the London Stock Exchange and trade like a share during market hours. With live prices provided throughout the trading day, you can buy or sell units of your chosen products in your regular share dealing account, SIPP or in some cases your stocks and shares ISA**.

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GENERATE A FIXED RETURN IN STABLE MARKETS WITH AUTOCALLS

Autocalls come in several guises and many people will know them by their more common name of 'Kick Outs'. Whatever the name, the aim is essentially the same; to provide investors with a way of generating a defined return from a flat or moderately rising market. They are typically linked to an Underlying Asset such as a single stock, or an index such as the FTSE 100, and will generally have a maximum Investment Term of approximately six years. Autocalls are different to many investment products in that they can expire early, and pay out their defined return on any one of the product's Anniversary Dates if certain conditions are met.

A second re-assuring feature is that when investing in Autocalls, your capital is protected at maturity, as long as the Underlying Asset that the product is linked to remains at or above a certain level called the Protection Level. This Protection Level is typically set at 50% to 60% of the value (or level) of the Underlying Asset at launch. This means that as long as that asset has not dropped below the Protection Level at maturity, you will get back your initial capital, even if there is no additional return to be paid. For example, let's take a product linked to the FTSE 100, which was trading at a level of 6,000 when launched. If the product's Protection Level was set at 60%, then your capital would be fully protected at maturity unless the FTSE 100 was trading below 3,600 (6,000 x 60%).

Like most types of investment, an Autocall is not without risk. Your capital is at risk if the Underlying Asset has never achieved the conditions required to pay out early, and is below the Protection Level at maturity. It is possible to lose your entire investment. Plus, if Societe Generale was not in a position to pay back your original investment, your capital would be lost, with no opportunity for compensation from the Financial Services Compensation Scheme. So in our example, even if the FTSE 100 was above the Protection Level of 3,600 at maturity, investor's capital could be lost if Societe Generale was unable to make payments due.

HOW DOES AN AUTOCALL WORK?

There are three main types of Autocall; Classic, Defensive and Step-Down. They each differ slightly in terms of what must happen in order to generate a payout, and how much will be paid to you if it happens. We'll have a look at a typical classic Autocall structure first.

Classic Autocall

The Classic Autocall will pay out a defined return at the end of the Investment Term, or on any one of the yearly Anniversary Dates if the price of the Underlying Asset is the same, or higher than it was on the day that the product was launched.

To see how this works in practice we can take an illustrative example of a 6 year Classic Autocall linked to the FTSE 100. For this example, we will say that when the product launches, the FTSE closes at a level of 6,500.

The closing Level of the FTSE 100 is important for two reasons. Firstly, it determines the 'Yield Level', which is the level that the FTSE 100 must be equal to or above in order to generate a payout. Secondly, it is used to calculate the Protection Level. In this example, the Protection Level is set at 60% of the Initial level, which translates into a level of 3,900.

PRODUCT EXAMPLE:
6 YEAR FTSE AUTOCALL

Based on an investment of 1 unit at the Issue Price of £1,000.

UNDERLYING ASSET	FTSE 100
ISSUE PRICE	£1,000
DEFINED RETURN	10% p.a (£100 per unit)
INITIAL LEVEL	6,500
YIELD LEVEL	6,500
PROTECTION LEVEL CRITERIA	60% of the Initial Level
ACTUAL PROTECTION LEVEL	3,900
INVESTMENT TERM	6 years

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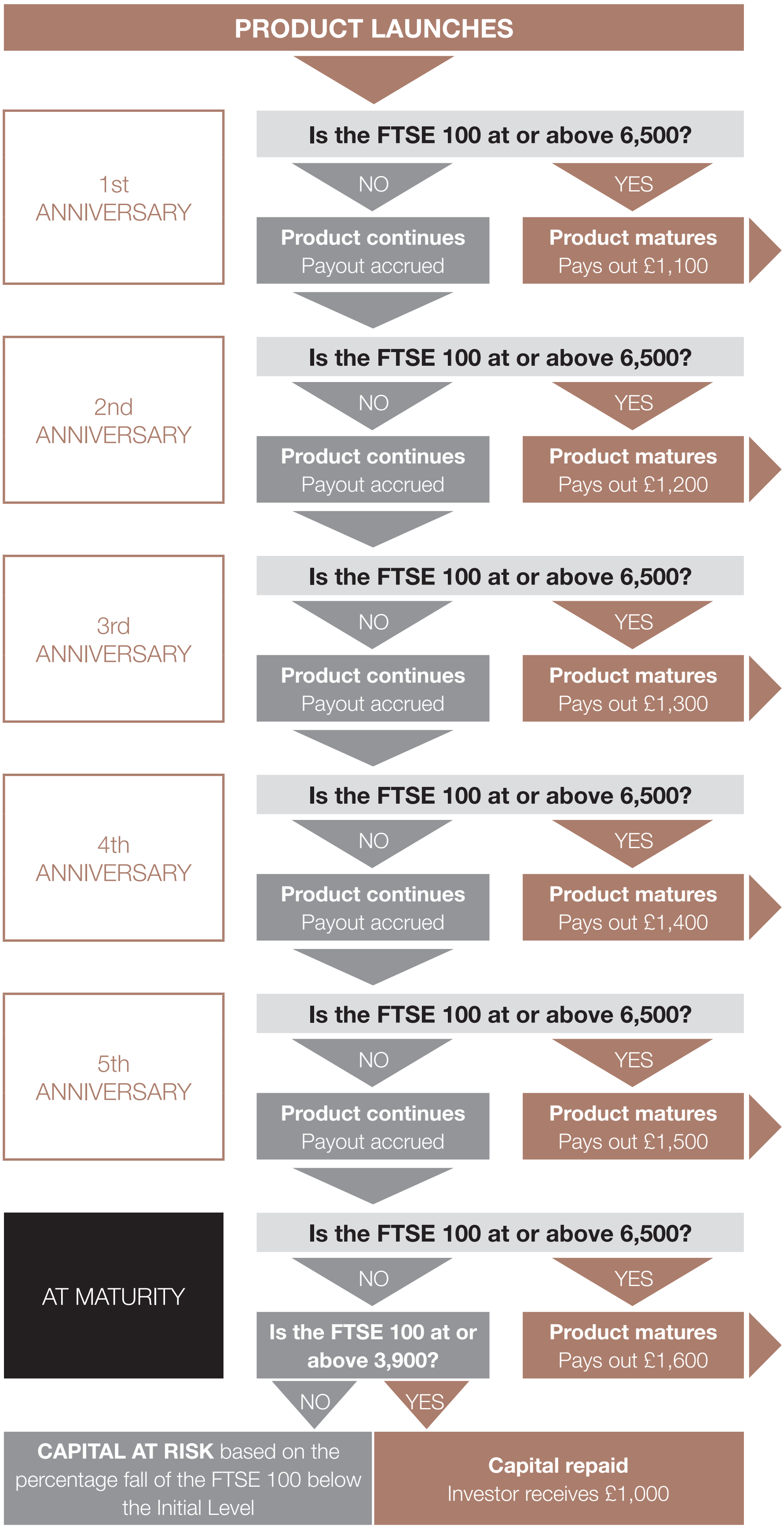
GENERATING A RETURN BEFORE MATURITY

Based on an investment of 1 unit at the Issue Price of £1,000.



Generating a return before maturity

As illustrated in the payout diagram, the Classic Autocall can expire early and payout a defined return equivalent to 10% per annum on any one of the five Anniversary Dates. In order for this to happen, the FTSE 100 simply needs to be at or above its Yield Level of 6,500 on any one of the Anniversary Dates. If it is, the Autocall will expire immediately and payout £100 per unit per year invested, plus your initial investment. For example, if the conditions for the Autocall were met in year three, you would receive back your £1,000 initial investment, plus a defined return of £300 for each unit invested.

Each time an Anniversary Date passes and the FTSE 100 remains below the Yield Level of 6,500, the defined return simply rolls over to the following year. So at maturity, the possible returns from each year are consolidated, and there is one last chance to generate the maximum payout.

What happens at maturity?

If the FTSE 100 has not been at or above its Yield Level of 6,500 on any one of the five Anniversary Dates, the Classic Autocall will mature after 6 years. At this point there are three possible scenarios.

- if the FTSE 100 is at or above the Yield Level of 6,500, you will receive the maximum return of £1,600 (6 x 10% plus £1,000)
- if the FTSE 100 is below the Yield Level of 6,500 and at or above the Protection Level of 3,900, you would receive back only your initial investment of £1,000
- if the FTSE 100 is below the Protection Level of 3,900, you would lose all or part of your capital, just as if you had invested in the FTSE 100 itself from the outset when it was worth 6,500 points. The amount of the loss will be directly related to the percentage fall in the FTSE 100 from its launch level. For example, if the FTSE 100 had fallen 50% to 3,250, you would receive back £500.

DEFENSIVE AUTOCALLS: TAKING A MORE CAUTIOUS STANCE

Similar to the Classic variety, the Defensive Autocall is a medium to long term product with a typical maximum Investment Term of 6 years. Also like the Classic Autocall, the Defensive Autocall will expire early and pay out a defined return on any one of the five Anniversary Dates if the Underlying Asset is above its Yield Level. The key difference comes to bear at maturity.

Whereas, in the case of a Classic Autocall, the Underlying Asset must be at or above the Yield Level in order for the product to pay the maximum return, in the case of a Defensive Autocall, the Underlying Asset simply needs to be at or above the Protection Level. This Protection Level is typically set at a level equivalent to 50 or 60% of the Initial Level.

The increased likelihood of receiving the maximum payout at maturity in the case of a Defensive Autocall is reflected in the potential return that can be achieved, and will typically be a little lower than that of a Classic Autocall.

PRODUCT EXAMPLE:
6 YEAR FTSE DEFENSIVE AUTOCALL
Based on an investment of 1 unit at the Issue Price of £1,000.

UNDERLYING ASSET	FTSE 100
ISSUE PRICE	£1,000
INITIAL LEVEL	6,500
YIELD LEVEL	6,500
ANNUAL TARGET RETURN	8% p.a. (£80 per unit)
PROTECTION LEVEL CRITERIA	60% of the Initial Level
ACTUAL PROTECTION LEVEL	3,900
INVESTMENT TERM	6 years

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Early payout scenarios for the 6 year FTSE

- On the 1st Anniversary, if the FTSE 100 is at or above 6,500, the early maturity is triggered, the Autocall expires early paying back the Issue Price and a return of £80 per unit. If not, the product continues to the 2nd Anniversary.
- On the 2nd Anniversary, if the FTSE 100 is at or above 6,500, the early maturity is triggered, the Autocall expires paying back the Issue Price and a return of £160 per unit. If not, the product continues to the 3rd Anniversary.
- On the 3rd Anniversary, if the FTSE 100 is at or above 6,500, the early maturity is triggered, the Autocall expires early paying back the Issue Price and a return of £240. If not, the product continues to the 4th Anniversary.
- On the 4th Anniversary, if the FTSE 100 is at or above 6,500, the early maturity is triggered, the Autocall expires early paying back the Issue Price and a return of £320 per unit. If not, the product continues to the 5th Anniversary.
- On the 5th Anniversary, if the FTSE 100 is at or above 6,500, the early maturity is triggered, the Autocall expires early and pays back the Issue Price and a return of £400 per unit. If not, the product continues to maturity.

Payout at maturity

If the FTSE 100 has not been at or above its Yield Level of 6,500 on any one of the five Anniversary Dates, the Defensive Autocall will mature after 6 years. At this point there are just two possible scenarios.

- If the FTSE 100 is at or above the Protection Level of 3,900, you will receive back the Issue Price and the maximum return of £480 (6 x 8%).
- If the FTSE 100 is below the Protection Level of 3,900, you would lose all or part of your capital, just as if you had invested in the FTSE 100 itself from the outset when it was worth 6,500 points. The amount of the loss will be directly related to the percentage fall in the FTSE 100 from its launch level. For example, if the FTSE 100 had fallen 50% to 3,250, you would receive back £500.

STEP-DOWN AUTOCALLS: INCREASING THE CHANCE OF AN EARLY PAYOUT

Those that don't necessarily want to wait until the end of the fixed term to receive a payout may find a Step Down Autocall more attractive. The concept is the same: it has a maximum term of six years , and will expire early and pay out the defined annual return on any one of the Anniversary Dates if the Underlying Asset closes above a pre-defined Yield Level.

However, unlike Classic and Defensive Autocalls, the target 'Yield level' on a Step Down Autocall reduces each year. The increased likelihood of receiving an early payout on one of the Anniversary Dates means that the potential return for a Step-down Autocall will typically be a little lower than that of a Classic or Defensive Autocall.

For example a Step-Down Autocall may be linked to the FTSE 100 Index and have the following characteristics:

PRODUCT EXAMPLE:
6 YEAR FTSE STEP DOWN AUTOCALL
Based on an investment of 1 unit at the Issue Price of £1000.

UNDERLYING ASSET	FTSE 100
ISSUE PRICE	£1,000
ANNUAL TARGET RETURN	7.5% p.a (£75 per unit)
INITIAL LEVEL	6,500
YIELD LEVEL	6,500, 6,175, 5,850, 5,525, 5,200, 4,875
PROTECTION LEVEL CRITERIA	60% below Initial Level
ACTUAL PROTECTION LEVEL	3,900
INVESTMENT TERM	6 years

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Potential early payout scenarios

- On the 1st Anniversary, if the FTSE 100 is at or above 6,500, the early maturity is triggered, the Autocall expires early paying back the Issue Price and a return of £75 per unit. If not, the product continues to the 2nd Anniversary.
- On the 2nd Anniversary, if the FTSE 100 is at or above 6,175, the early maturity is triggered, the Autocall expires paying back the Issue Price and a return of £150 per unit. If not, the product continues to the 3rd Anniversary.
- On the 3rd Anniversary, if the FTSE 100 is at or above 5,850, the early maturity is triggered, the Autocall expires early paying back the Issue Price and a return of £225. If not, the product continues to the 4th Anniversary.
- On the 4th Anniversary, if the FTSE 100 is at or above 5,525, the early maturity is triggered, the Autocall expires early paying back the Issue Price and a return of £300 per unit. If not, the product continues to the 5th Anniversary.
- On the 5th Anniversary, if the FTSE 100 is at or above 5,200, the early maturity is triggered, the Autocall expires early and pays back the Issue Price and a return of £375 per unit. If not, the product continues to maturity.

Payout at maturity

If the FTSE 100 has failed to close at or above the Yield Level on any one of the five Anniversary Dates, the Step-down Autocall will mature at the end of its 6 year Investment Term. At this point there are three possible scenarios:

- if the FTSE 100 is at or above the Yield Level of 4,875, you would receive back the Issue Price and the maximum return of £487.50
- if the FTSE 100 is below the Yield Level of 4,875 and at or above the Protection Level of 3,900, you would receive back only your initial investment of £1,000
- if the FTSE 100 is below the Protection Level of 3,900, you would lose all or part of your capital, just as if you had invested in the FTSE 100 itself from the outset when it traded at 6,500. The loss will be directly related to the percentage fall in the FTSE 100 from its launch level. For example, if the FTSE 100 had fallen 50% to 3,250, you would receive back £500.

A SUMMARY OF THE DIFFERENT AUTOCALL STRUCTURES

	CLASSIC	DEFENSIVE	STEP DOWN
CRITERIA FOR PRODUCT TO PAYOUT EARLY AND EXPIRE	If the underlying is at or above the Yield Level on the Anniversary Date	If the underlying is at or above the Yield Level on the Anniversary Date	If the underlying is at or above the falling Yield Level on the Anniversary Date
CRITERIA FOR MAXIMUM PAYOUT AT MATURITY	The Underlying Asset must be at or above the Yield Level	The Underlying Asset must be at or above the Protection Level	The Underlying Asset must be at or above the final Yield Level
CRITERIA FOR CAPITAL BACK AT MATURITY*	The Underlying Asset is below the Yield Level and at or above the Protection Level	N/A	The Underlying Asset is below the final Yield Level and at or above the Protection Level
CRITERIA FOR LOSS OF SOME OR ALL OF CAPITAL AT MATURITY	The Underlying Asset is below the Protection Level	The Underlying Asset is below the Protection Level	The Underlying Asset is below the Protection Level

*Based on product being purchased at the issue price. If purchased in the secondary market for a higher price than the issue price, investors could incur a loss based on the difference between the purchase price and the issue price. See page 13 for more information on how the Issue Price affects the return on investment and degree of capital protection at maturity.

SUBTLE VARIATIONS THAT YOU MAY COME ACROSS

There are a number of subtle changes that can be made to an Autocall which may be used to vary the potential payout. Before investing it is important to make sure that you understand and have assessed all these factors in order to be able to make an informed investment choice:

1. The Investment Term

Autocalls are typically medium term investments but the actual Investment Term is not always six years. You may find a three, four or five year Autocall. An Autocall with a shorter Investment Term will typically offer a lower payout all other factors remaining the same.

2. The first Anniversary Date

In our examples we have specified that each Autocall can expire early and pay the defined return from the very first Anniversary Date. This is not always the case, and some products may not provide the opportunity for early redemption until year two. By delaying the first potential payout until the second year, you receive a higher defined return, but will need to wait two years before the first opportunity for an early payout.

3. The level of protection

Typically the Protection Level will be set at a level equivalent to 50 or 60% of the level of the Underlying Asset when the product is launched. However, it can be higher or lower. A higher Protection Level would equate to less protection and therefore should be compensated by a higher potential return.

4. The type of Protection Level

At Societe Generale we tend to use what is termed as a 'European style' Protection Level. This means the level of the Underlying Asset is taken at maturity in order to determine whether or not the capital is returned to investors. All the products described in this brochure are European Style.

The other variety is referred to as an 'American style' Protection Level. This means the Underlying Asset cannot drop below the Protection Level at any point during the Investment Term. If it does, the protection disappears and your capital will be at risk at maturity based on how far the Underlying Asset closes below the Initial level.

Each of these variations will be clear in the product terms and have an impact of the return on offer. Hence, you will want to read carefully the product details and ensure you understand the exact details of your chosen product.

SYNTHETIC ZERO: FIX YOUR POTENTIAL RETURN FROM THE MARKETS

Synthetic Zeros provide investors with the opportunity to beat the return of a single stock or equity index by capturing a fixed payout at the end of the Investment Term, which is typically between 2 and 6 years in duration.

The payout structure of a Synthetic Zero is very simple; as long as the Underlying Asset that the product is linked to closes at or above a pre-defined 'Protection Level' at maturity, you will receive a fixed return. This Protection Level is typically set at 60% of the Initial Level of the Underlying Asset when the product is launched. This means that the Underlying Asset can fall some way and the product could still make a payout at maturity. Importantly, if it doesn't, your capital is at risk in the same way as if you had purchased the Underlying Asset directly at the level it initially traded at on the launch date but without any dividends paid during this period.

Unlike Autocalls, there is no opportunity for early redemption so you do need to be comfortable that you are investing your capital for the full Investment Term.

What could my potential returns be?

The potential return is determined by the Synthetic Level, which is the amount that you will receive at maturity provided the Underlying Asset is above the Protection Level. By knowing this level in advance, you know exactly what you stand to gain, and can make a true assessment as to whether it is suitable for the risk that you are taking.

As an example, let's take a six-year Synthetic Zero linked to the FTSE 100. When the product launched the FTSE 100 closed at a level of 6,500, giving an Initial Level of 6,500. The Protection Level was set at 60% of this level which is 3,900. Let's assume that this product has been launched with a Synthetic Level of £1,600. This means that as long as the FTSE 100 closes at 3,900 when the product matures, you will receive £1,600 for every unit that you purchased at the issue price of £1,000.

As a comparison, to achieve the same return by simply tracking the FTSE 100, the FTSE 100 would need to rise 60% in order to reach a level of 10,400 by the end of the six year Investment Term. It is up to you to decide if this is a likely outcome, or if you think that the FTSE 100 could go higher. If you do, you would be better off buying exposure to the FTSE 100 through an ETF or other tracking product because the potential return on the Synthetic Zero is capped at £1,600.

PRODUCT EXAMPLE:
6 YEAR FTSE SYNTHETIC ZERO
Based on an investment of 1 unit at the Issue Price of £1,000

UNDERLYING	FTSE 100
INITIAL LEVEL	6,500
SYNTHETIC LEVEL	£1,600
ISSUE PRICE	£1,000
PROTECTION LEVEL CRITERIA	60% of Issue Price
ACTUAL PROTECTION LEVEL	3,900
INVESTMENT TERM	6 years

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What happens if the FTSE 100 closes below the Protection Level at maturity?

If, at maturity, the FTSE 100 closes below the Protection Level of 3,900, your capital is at risk, and you will incur the same level of losses as you would do if you had bought exposure to the FTSE 100 at 6,500. So should the FTSE 100 have closed down 50% at 3,250, you would receive £500 back.

IN SUMMARY

We have looked at four different ways that you could potentially lock-in a fixed return on an investment. Determining the product that's right for you will depend on your own personal attitude towards risk and reward. You can find the full range of Listed Structured Products in the Investment Strategies section of the Societe Generale website www.sglistedproducts.co.uk.

WHAT RISKS SHOULD I BE AWARE OF?

Capital at Risk

Should the Underlying Asset close below the Protection Level at maturity, your capital will be at risk, and you will incur the same level of losses as you would do if you had bought exposure to the Underlying Asset at the Initial Level. Any gains that may have been made between the Anniversary Dates are not reflected in the return you receive: it is only the level of the Underlying Asset at each Anniversary Date and at maturity that are taken into account. Therefore you will not benefit from any gains in the intervening periods, nor will you lose from any falls below the Protection Level during those periods. As the capital is therefore fully at risk, we recommend that you consult your independent professional advisor before investing.

Underlying Risk

The value of the product will depend on the value of the Underlying Asset, which may be volatile. Autocalls and Synthetic Zeros are not suitable for all investors, we recommend that you study the Final Terms and consult your independent professional advisors before making any decision.

Early sale risk.

You can sell Autocalls and Synthetic Zeros before the end of their Investment Term but may get back less than you invested irrespective of the performance of the Index.

Counterparty Risk

Autocalls and Synthetic Zeros are issued by Societe Generale, a member of the SOCIETE GENERALE group of companies. At any point during the life of the investment, any failure of SG Issuer to perform obligations when due may result in the loss of all or part of an investment. Investors should note that holdings in these products will not be covered by the provisions of the Financial Services Compensation Scheme, nor by any similar scheme.

Liquidity Risk

Societe Generale is the only market-maker and therefore the only liquidity provider for these products. Liquidity will only be available in normal market conditions. You can find out more about the risks of trading Listed Products on the Secondary Market on page 14. See 'Cases in which there is no guarantee that liquidity or live prices will be available on the secondary market' for examples of abnormal market conditions.

HOW DO YOU TRADE LISTED STRUCTURED PRODUCTS?

Autocalls and Synthetic Zeros are all part of Societe Generale's range of listed structured products, which we call our Investment Strategies range. Societe Generale Investment Strategies are tradable through a UK stockbroker from 8.05 am to 4.30pm on any regular London Stock Exchange trading day. They can be traded at their current market price during market hours in a regular Dealing Account, SIPP, a Self-Select CTF and, where eligible, in a Stocks and Shares ISA or Junior Stocks and Shares ISA*.

Listed Structured Products are typically launched with an Issue Price of £100 or £1,000 per unit. There is no minimum or maximum trading size, but you do have to trade in full units. Once the product is live on the London Stock Exchange, the price will rise and fall every day so you can buy more, or sell back your investment at the prevailing market rate with no penalty.

The price you pay counts

The return that a Listed Structured Product can provide is based on buying the products at their original Issue Price of £1,000 per unit. However, after launch, the price of a Listed Product will rise and fall on a daily basis according to the price of the Underlying Asset, the time to maturity and the current level of implied volatility – much like an option.

If you were to purchase a Synthetic Zero for example at £1,050 per unit rather than the £1,000 Issue Price, the maximum return at maturity would still be £1,600 per unit as this is the Synthetic Level. This means that your return would be 52.38% rather than 60% if you had bought at the Issue Price of £1,000 per unit.

More importantly however, Capital Protection is based on the Issue Price of £1,000 per unit too. This means that if your product reaches maturity, and the conditions are met for you to receive back your invested capital, you will only get the Issue Price back. So if you bought at £1,050 rather than the Issue Price of £1,000, you would actually make a loss of £50 per unit.

It is possible to buy Listed Structured Products at a discount to the Issue Price too. If you were to buy at £950 per unit instead of the £1,000 Issue Price, your return would be greater in percentage terms, and you could even make a profit of £50 per unit on the capital protection.

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IMPORTANT INFORMATION

Secondary Market

- You can buy or sell these products at any time on the secondary market prior to maturity on any regular London Stock Exchange trading day from 8.05am to 4.30pm. The value of the product will vary on an intraday daily basis.
- Temporary falls in the Underlying Asset price during the product's life will not affect the final payment. Only the closing price of the Underlying Asset at maturity will be taken into account to determine whether a breach of the Protection Level has occurred. The pre-defined Fixed Return is applicable only on the Settlement Date.
- You must note that the final value of the underlying is taken into account on the Anniversary Date or at maturity. Should you not sell your product in the secondary market before the Anniversary Date or at maturity you will receive the cash settlement amount on the Settlement Date, which is 5 business days later.
- These products only provide Capital Protection if the Underlying Asset closes at or above the Protection Level at maturity. However, in the case of the Defensive Autocall, there is no Capital Protection feature.

Secondary market / liquidity risk

- Societe Generale is the only market-maker and therefore the only liquidity provider for all SG Listed Products. Societe Generale will provide live prices throughout the trading day in accordance with LSE rules. The liquidity provided is monitored by the LSE monitoring team, in terms of both spreads and sizes.
- Cases in which there is no guarantee that liquidity or live prices will be available on the secondary market include where:
  - the Underlying Asset is suspended or not tradable;
  - there is a failure in the LSE or Societe Generale systems;
  - abnormal trading situations e.g. sudden and sharp volatility increase or lack of liquidity in the underlying.

This means that you may find it difficult or impossible in certain circumstances to sell the Securitised Derivative or may be offered a price less than you paid for it.

CONTACT

For further information on the range of SG Listed Products, go to www.sglistedproducts.co.uk

Alternatively, call the Freephone line 0800 328 1199 or email listedproducts@sgcib.com

Telephone calls may be recorded and/or monitored for training and quality purposes.

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