

DESCRIPTION OF THE BNP PARIBAS BRAZIL PRICE RETURN INDEX (BRL)

The BNP Paribas Brazil Price Return Index (BRL) (the "**Index**") is a market capitalization-weighted Brazilian Real-denominated index.

The Index is designed to provide exposure to American Deposit Receipts ("**ADR**") representing shares in companies that are components of the Ibovespa Brasil Sao Paulo Stock Exchange Index ("**Bovespa Index**"). The Index includes the top 15 ranked shares identified on the basis of the selection criteria described below and will be rebalanced on an annual basis.

The Index is calculated and published on a daily basis by BNP Paribas Arbitrage S.N.C., which has its principal office at 160-162 boulevard MacDonald, 75019 Paris, France and is authorised and regulated by the *Autorité de Contrôle Prudentiel et de Résolution* (the "ACPR") (the "**Index Calculation Agent**"). The Index is maintained and sponsored by BNP Paribas, which has its principal office at 16 boulevard des Italiens, 75009 Paris, France and authorised and regulated by the European Central Bank and the ACPR (the "**Index Sponsor**").

The start date of the Index will be Tuesday 7 July 2015 (the "**Index Start Date**"). The level of the Index on and from the Index Start Date will be published by the Index Calculation Agent on Bloomberg Screenpage BNPIABBP Index and Reuters RIC .BNPIABBP, or any successor pages thereto, on <https://indices-globalmarkets.bnpparibas.com>, and on any other data provider as the Index Sponsor deems appropriate.

The Index is a "**Price Return**" index. As a consequence, the level of the Index does not reflect reinvestment of any kind of dividends or distributions.

The Index is part of the Thematic Equity Indices family of BNP Paribas indices (further information on which may be found at <https://indices-globalmarkets.bnpparibas.com>).

Selection Criteria

From among a universe comprising ADRs listed on the New York Stock Exchange that represent shares of companies that are themselves constituents of the Bovespa Index ("**Local Shares**"), the Index Sponsor identifies ADRs with a six-month average daily trading volume greater than the equivalent of 0.5 million USD.

The ADRs satisfying that criteria are ranked according to the percentage weighting of their corresponding Local Shares in the Bovespa Index ("**Percentage Weighting**") on an annual basis, with the 15 highest ranked companies being included in the Index as "**Index Components**" on a percentage-weighted basis during the 10-day rebalancing period.



Composition of the Index

On the Index Start Date, the Index will be comprised of the Index Components set out in the table below:

n	Name	ISIN	Bloomberg	Currency	Exchange
1	Banco Bradesco SA	US0594603039	BBD UN Equity	USD	New York Stock Exchange
2	Ultrapar Participacoes SA	US90400P1012	UGP UN Equity	USD	New York Stock Exchange
3	Gerdau SA	US3737371050	GGB UN Equity	USD	New York Stock Exchange
4	Tim Participacoes SA	US88706P2056	TSU UN Equity	USD	New York Stock Exchange
5	Embraer SA	US29082A1079	ERJ UN Equity	USD	New York Stock Exchange
6	Itau Unibanco Holding SA	US4655621062	ITUB UN Equity	USD	New York Stock Exchange
7	Petroleo Brasileiro SA	US71654V4086	PBR UN Equity	USD	New York Stock Exchange
8	BRF SA	US10552T1079	BRFS UN Equity	USD	New York Stock Exchange
9	Vale SA	US91912E2046	VALE/P UN Equity	USD	New York Stock Exchange
10	Cia Energetica de Minas Gerais	US2044096012	CIG UN Equity	USD	New York Stock Exchange
11	Vale SA	US91912E1055	VALE UN Equity	USD	New York Stock Exchange
12	Cia Brasileira de Distribuicao	US20440T2015	CBD UN Equity	USD	New York Stock Exchange
13	Petroleo Brasileiro SA	US71654V1017	PBR/A UN Equity	USD	New York Stock Exchange
14	Telefonica Brasil SA	US87936R1068	VIV UN Equity	USD	New York Stock Exchange
15	Ambev SA	US02319V1035	ABEV US Equity	USD	New York Stock Exchange

Following the Index Start Date, the composition of the Index may be adjusted from time to time by the Index Sponsor in accordance with the rules governing the Index, which will be available at <https://indices-globalmarkets.bnpparibas.com/nr/ABBP.pdf> starting from the Index Start Date.



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Additional information in relation to the Index, including information on (a) the past performance of the Index (b) the method of calculation of the Index, and (c) any adjustments to the composition of the Index (specifically the location and deadline for the announcement of a change) is available at <https://indices-globalmarkets.bnpparibas.com>.



Disclaimer

"The methodology of and rules governing the index (the "Index Methodology" and the "Index") are proprietary. None of the sponsor of the Index (the "Index Sponsor"), the index calculation agent (where such party is not also the Index Sponsor, the "Index Calculation Agent") nor, where applicable, the index Investment Advisor (the "Index Investment Advisor") guarantee that there will be no errors or omissions in computing or disseminating the Index.

The Index Methodology is based on certain assumptions, certain pricing models and calculation methods adopted by the Index Sponsor, the Index Calculation Agent and, where applicable, the Index Investment Advisor, and may have certain inherent limitations. Information prepared on the basis of different models, calculation methods or assumptions may yield different results. You have no authority to use or reproduce the Index Methodology in any way, and neither BNP Paribas nor any of its affiliates shall be liable for any loss whatsoever, whether arising directly or indirectly from the use of the Index or Index Methodology or otherwise in connection therewith.

The Index Sponsor reserves the right to amend or adjust the Index Methodology from time to time in accordance with the rules governing the Index and accepts no liability for any such amendment or adjustment. Neither the Index Sponsor nor the Index Calculation Agent are under any obligation to continue the calculation, publication or dissemination of the Index and accept no liability for any suspension or interruption in the calculation thereof which is made in accordance with the rules governing the Index. None of the Index Sponsor, the Index Calculation Agent nor, where applicable, the Index Investment Advisor accept any liability in connection with the publication or use of the level of the Index at any given time.

The Index Methodology embeds certain costs in the strategy which cover amongst other things, friction, replication and repo costs in running the Index. The levels of such costs (if any) may vary over time in accordance with market conditions as determined by the Index Sponsor acting in a commercially reasonable manner.

BNP Paribas and/or its affiliates may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as market-maker, hedging counterparty, issuer of components of the Index, Index Sponsor and/or Index Calculation Agent. Such activities could result in potential conflicts of interest that could influence the price or value of a Product."