

## SUPPLEMENT

### To BASE PROSPECTUS



for

Warrants

Deutsche Bank AG [London]

[Quantity] [*Insert Type*] Certificates [each WKN/ISIN]

relating to [*insert details of the underlying*]

[Issued under its [X-markets™](#) Programme]

Issue Price [Amount] [●] per [*Insert Type*] Warrant [(plus subscription surcharge of [●]  
[% of the Nominal Amount][EUR] [●])]

[WKN/ISIN]

This document constitutes a supplement to the Base Prospectus dated 28 July 2008 (the “**Base Prospectus**”) pursuant to article 13 of the Law dated 10 July 2005 on Prospectuses for Securities (the “**Supplement**”), is dated 18 August 2008 and should be read in conjunction with the Base Prospectus. Terms defined in the Base Prospectus have the same meaning in this Supplement. This Supplement contains updated information relating to the Base Prospectus. Any Base Prospectus information not supplemented herein should be regarded as unchanged. This Supplement shall be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

**The Base Prospectus is revised in this respect with effect from and including 18 August 2008.**

Deutsche Bank AG, London accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any statement in the Base Prospectus, the statements in (a) above will prevail.

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for securities before the supplement is published shall have the right, exercisable within a time limit of two working days after the publication of this supplement to withdraw their acceptances. This withdrawal right will only apply to those investors who have agreed to purchase or subscribe the securities in accordance with Final Terms issued under the Base Prospectus before the publication of this supplement and for which the offering period has not yet elapsed or admission to trading on a regulated market has not yet been obtained as of the date of this supplement.

**This Supplement is dated 18 August 2008.**

Deutsche Bank

1. **Amendment of the section “I.A. Summary of Risk Factors” under sub-section “3. Ratings”**

Further to the long-term rating revision made to Deutsche Bank AG by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc, the following amendment shall be made:

The table at page 7 of the Base Prospectus referring to the rating assigned by Standard & Poor's (S&P) is changed as follows:

| «Rating Agency          | Long-term | Short-term |
|-------------------------|-----------|------------|
| Standard & Poor's (S&P) | AA-       | A-1+»      |

2. **Amendment of the section “I.C Summary of Issuer Description”**

The existing section “I.C. Summary of Issuer Description” on Page 27 shall be deleted and replaced as follows:

**«C. SUMMARY OF ISSUER DESCRIPTION**

**DEUTSCHE BANK AKTIENGESELLSCHAFT**

Deutsche Bank Aktiengesellschaft ("**Deutsche Bank**" or the "**Bank**") originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on 2 May 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Theodor-Heuss-Allee 70, 60486 Frankfurt am Main and branch offices in Germany and abroad including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore which serve as hubs for its operations in the respective regions.

Deutsche Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a real-estate finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (the "**Deutsche Bank Group**").

The objects of Deutsche Bank, as laid down in its Articles of Association, include the transaction of all kinds of banking business, the provision of financial and other services and the promotion of international economic relations. The Bank may realise these objectives itself or through subsidiaries and affiliated companies. To the extent permitted by law, the Bank is entitled to transact all business and to take all steps which appear likely to promote the objectives of the Bank, in particular: to acquire and dispose of real estate, to establish branches at home and abroad, to acquire, administer and dispose of participations in other enterprises, and to conclude company-transfer agreements.

As of June 30, 2008, Deutsche Bank's issued share capital amounted to Euro 1,358,463,224.32 consisting of 530,649,697 ordinary shares without par value. The shares are fully paid up and in registered form. The shares are listed for trading and official quotation on all German Stock Exchanges. They are also listed on the New York Stock Exchange.

Deutsche Bank's long-term senior debt has been assigned a rating of AA- (outlook negative) by Standard & Poor's, Aa1 (outlook stable) by Moody's Investors Services and AA- (outlook stable) by Fitch Ratings.»

**3. Amendment relating to the Issuer's rating**

Further to the long term revision made to Deutsche Bank AG by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc, the following amendment shall be made:

**Section II. A. "Issuer Risk Factors".**

The table at page 28 of the Base Prospectus referring to the rating assigned "by S&P" is changed as follows:

|          |                    |            |
|----------|--------------------|------------|
| «By S&P: | long-term Rating:  | AA-        |
|          | short-term Rating: | A-1+       |
|          | outlook:           | negative.» |

**4. Amendment of the section "II.B Product Specific Risk Factors" under sub-section "1. Introduction"**

The following paragraphs have been added to the section "II.B Product Specific Risk Factors" of the Base Prospectus, under sub-section "1. Introduction" on Page 31 before the last paragraph thereof:

**«Commodity Underlying**

Prospective investors should note that where the Underlying or constituents of the Underlying comprise commodities or contracts on commodities, the Underlying may be particularly and regularly affected by disruption events relating to such contracts or commodities. Disruption events may have a negative effect on the value of the Securities as the scheduled date of valuation and Settlement Date in respect of the Securities might be delayed.

The time lag between the scheduled valuation date for the Securities and the Settlement Date, may be significantly longer should the Calculation Agent determine that a Market Disruption Event has occurred. As a consequence investors have to bear the market risk of the Underlying or any of its constituents during such time lag.

In particular it should be noted that a Market Disruption Event may occur in relation to the Underlying if, for example, there is a material suspension of trading or a limit on trading of any transaction entered into or asset purchased for the purposes of hedging any exposure to a commodity index or any of its constituents or sub-constituents.

**Postponement of Calculation of Index Level**

Securityholders should note that in certain circumstances a Reference Level for the Underlying will not be calculated. This is expected to be the case on an Index Reconstitution Day on which certain disruption events (as these are defined in the Index Description referred to in "Information relating to the Underlying", below) occur. The Index Sponsor will calculate the Index Level when the relevant disruption event ceases and may postpone calculation of the Index Level for up to eight Business Days.

As a consequence the liquidity of the Securities during this time may be adversely affected. Securityholders will have to bear the market risk that liquidity may be limited during the

relevant days on which a disruption event occurs in relation to the Index and calculation of the Index Level is postponed.

### **Publication of Reference Level on the occurrence of disruption events**

The Index Sponsor may publish an Index Level on a Business Day on which certain disruption events occur in relation to the Underlying if such Business Day is not an Index Reconstitution Day (as these terms are defined in "Information relating to the Underlying", below).

Even though such Index Level may be published, Securityholders should note that for the purposes of the Securities, the Index Level on such Business Day (1) may not be a level by reference to which the Securities are traded and (2) the Securities may be subject to certain disruption or adjustment procedures as a result. On the cessation of the relevant disruption event, the Index Sponsor may publish a fixing level of the Index in respect of each day that a disruption event occurred on the web page <http://index.db.com/indexfixing> or any successor page or service (the "Fixing Page"). Securityholders should note that any such fixing level published on the Fixing Page may be relevant for the purposes of trading the Securities and may be used by the Calculation Agent to determine the Reference Level for such day.

As a result, Securityholders should note that liquidity in the Securities may be limited or may not exist, even if an Index Level is published on each disrupted day.»

## **5. Amendments relating to Documents incorporated by reference**

On 31 July 2008 the Issuer has published its Interim Report as of June 30, 2008.

By virtue of this Supplement the Interim Report as of June 30, 2008 is incorporated by reference in, and form part of, the Prospectus. Copies of all documents incorporated by reference in the Prospectus are also available on the Luxemburg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)).

**5.1** Consequently, the following paragraph has been added to the existing section "III. C Documents incorporated by reference" on Page 47, under sub-section "1. Documents Incorporated by Reference":

«(b) The Interim Report of Deutsche Bank AG as of June 30, 2008.»

**5.2** The following table has been added to the existing section "III. C Documents incorporated by reference" on Page 47, under sub-section "2. Cross Reference List"

### **«2.2 Interim Report as of June 30, 2008**

|                                     | ENGLISH LANGUAGE<br>VERSION |
|-------------------------------------|-----------------------------|
|                                     | Page(s)                     |
| Consolidated Statement of Income    | 40                          |
| Consolidated Balance Sheet          | 42                          |
| Consolidated Statement of Cash Flow | 43                          |
| Review Report                       | 39                          |

## 6. Amendments of Product Conditions 4

The following sub-section has been added to Product Condition 4 of the Base Prospectus, after sub-section "Adjustment Provisions – Splitting" on page 235:

### «**Adjustment Provisions – Indices (including Commodity Type Index Constituents)**»

#### **4.1 Indices (including Commodity Type Index Constituents)**

##### **4.1.1 Definitions**

"**Affiliate**" is as defined in Product Condition 1;

"**Closing Price**" in respect of a Commodity, means the Closing Price of the relevant Exchange Instrument on the Related Exchange;

"**Commodity**" means **each commodity comprised in an Index or Sub-Index** specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1;

"**Exchange Business Day**" means,

- (i) where the relevant Index is not a Multi-Exchange Index, any Trading Day on which each Reference Source and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Reference Source or Related Exchange closing prior to its Scheduled Closing Time; and
- (ii) where the relevant Index is a Multi-Exchange Index, any Trading Day on which the relevant Index Sponsor publishes the level of the Index and the Related Exchange is open for trading during its regular trading session, notwithstanding the Reference Source or such Related Exchange closing prior to its Scheduled Closing Time;

"**Exchange Instrument**" means any Futures Contract;

"**Futures Contract**" means a contract for future delivery in respect of a delivery date relating to a Commodity;

"**Hedging Party**" means any party providing the Issuer directly or indirectly with a hedging arrangement;

"**Index**" means (i) each index specified in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 (each a "**Principal Index**") and (ii) any index included in any Principal Index (a "**Sub-Index**");

"**Index Constituent**" means any security or other asset or reference value (other than a Sub-Index) constituting an Index at a relevant time;

"**Index Sponsor**" means (i) in relation to a Principal Index, the sponsor specified for such Principal Index in the definition of "Underlying" or "Basket", as the case may be, in Product Condition 1 and (ii) in relation to a Sub-Index, the entity determined by the Calculation Agent to be principally responsible for the determination and publication of such Sub-Index, provided that, in either case all references to an Index Sponsor shall include any Successor Sponsor (as defined below);

"**Multi-Exchange Index**", if applicable, is as defined in Product Condition 1;

"**Reference Currency**" (i) in relation to a Principal Index, is as defined in Product Condition 1 or, if not defined in Product Condition 1, is the Settlement Currency and (ii) in relation to an Index Constituent or a Sub-Index, is the currency in which the Index Constituent or Sub-Index is denominated or quoted or with which it is most closely connected, as determined by the Calculation Agent;

"**Reference Level**" is as defined in Product Condition 1;

**"Reference Source"** (i) in relation to a Principal Index, is as defined in Product Condition 1 and (ii) in relation to any Sub-Index or Index Constituent, is the reference source or reference sources determined by the Calculation Agent to be applicable to the valuation of such Sub-Index or such Index Constituent, as the case may be, for the purposes of determining the Reference Level;

**"Related Exchange"** means unless otherwise defined in Product Condition 1, with respect to an Index (i) where the relevant Index is not a Multi-Exchange Index, each exchange, trading system or quotation system whose trading has an effect on the overall market for options contracts or futures contracts on such Index, as determined by the Calculation Agent and (ii) where the relevant Index is a Multi-Exchange Index, CBOT, COMEX, LME and NYMEX or in each case any successor acceptable to the Calculation Agent;

**"Relevant Country"** means each of:

- (i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and
- (ii) any country (or any political or regulatory authority thereof) with which an Index or an Index Constituent has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to the country or countries in which the Index is calculated or published, the issuer of the Index Constituent is incorporated and/or such other factor(s) as it may deem appropriate,

all as determined by the Calculation Agent;

**"Relevant Day"** is as defined below;

**"Relevant Price"** means any level, value or price (including any Reference Level) in relation to a Commodity that the Calculation Agent is required in accordance with the Product Conditions to determine; and

**"Relevant Time"** means with respect to an Index or an Index Constituent,

- (i) where the relevant Index is not a Multi-Exchange Index, the relevant time by reference to which the relevant Index Sponsor determines the price or value of such Index or such Index Constituent for the purposes of determining the Reference Level; and
- (ii) where the relevant Index is a Multi-Exchange Index,
  - (A) for the purposes of determining whether a Market Disruption Event has occurred,
    - (aa) in respect of any relevant Index Constituent, the Scheduled Closing Time (as defined below) on the relevant Reference Source in respect of such Index Constituent; and
    - (bb) in respect of any options contracts or futures contracts on or relating to such Index, the close of trading on the Related Exchange; and
  - (B) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the relevant Index Sponsor;

**"Scheduled Closing Time"** means in respect of a Reference Source or Related Exchange and a Trading Day, the scheduled weekday closing time of such Reference Source or Related Exchange on such Trading Day without regard to after hours or any other trading outside of the regular trading session hours;

**"Settlement Currency"** is as defined in Product Condition 1; and

**"Trading Day"** is as defined in Product Condition 1.

Terms with initial capital letters which are not defined in this Product Condition 4 shall have the meanings ascribed to them in Product Condition 1.

#### **4.1.2 Market Disruption**

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 if a Market Disruption Event has occurred on any date with respect to which the Calculation Agent would, but for the occurrence of a Market Disruption Event, have been required by the Product Conditions to determine the level of an Index.

**"Market Disruption Event"** means:

- (i) where the Reference Source for a Principal Index, Sub-Index or constituent of any Principal Index or Sub-Index is an exchange, a trading system or a quotation system as determined by the Calculation Agent,
  - 4.1.2.1 (A) where the relevant Index is not a Multi-Exchange Index, the failure of a relevant Reference Source or any Related Exchange to open for trading during its regular trading session on any Trading Day; or  
(B) where the relevant Index is a Multi-Exchange Index,
    - 4.1.2.1.1 the failure of the relevant Index Sponsor to publish the level of the Index; or
    - 4.1.2.1.2 the failure of any Related Exchange to open for trading during its regular trading session,  
on any Trading Day; or
  - 4.1.2.2 the occurrence or existence on any Trading Day at the Relevant Time for the relevant Index or at any time during the one hour period that ends at the Relevant Time for such Index:
    - (A) of any suspension of or limitation imposed on trading by any relevant Reference Source(s) or Related Exchange(s) or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Reference Source(s) or Related Exchange(s) or otherwise:
      - 4.1.2.2.1 relating to **any** Index Constituents of the relevant Index; or
      - 4.1.2.2.2 in any options contracts or futures contracts on or relating to the relevant Index on any Related Exchange;
    - (B) of any event (other than an event as described in 4.1.2.3 below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in relation to, or to obtain market values for the relevant Index Constituents of the relevant Index on the relevant Reference Source(s) or (ii) to effect transactions in, or to obtain market values for, options contracts or futures contracts on or relating to a relevant Index on any Related Exchange(s) for such Index or such Index Constituent, as the case may be; or
  - 4.1.2.3 the closure on any Exchange Business Day of any relevant Reference Source(s) relating to **any** Index Constituents of the relevant Index, or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source(s) or Related Exchange(s), as the case may be, at least one hour prior to the earlier of (aa) the actual closing time for the regular trading session on such Reference Source(s) or Related Exchange(s) on such Exchange Business Day and (bb) the submission deadline (if applicable) for orders

- to be entered into the Reference Source or Related Exchange system for execution at the Relevant Time on such Exchange Business Day.
- 4.1.2.4 a general moratorium is declared in respect of banking activities in any Relevant Country; or
  - 4.1.2.5 Subject to Condition 4.1.4.2.4, in relation to a Reference Currency for a Principal Index, a Sub-Index or an Index Constituent which is different from the Settlement Currency, the occurrence at any time of an event which the Calculation Agent determines would have the effect of preventing, restricting or delaying the Issuer and/or any of its Affiliates from:
    - (A) converting such Reference Currency into the Settlement Currency through customary legal channels or transferring within or from any Relevant Country either currency, due to the imposition by such Relevant Country of any controls restricting or prohibiting such conversion or transfer, as the case may be;
    - (B) converting such Reference Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in any Relevant Country;
    - (C) delivering such Reference Currency or Settlement Currency from accounts inside any Relevant Country to accounts outside such Relevant Country; or
    - (D) transferring such Reference Currency or Settlement Currency between accounts inside any Relevant Country or to a party that is a non-resident of such Relevant Country; or
  - 4.1.2.6 Subject to Product Condition 4.1.4.2.4, a Relevant Country (a) imposes any controls or announces its intention to impose any controls or (b)(i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer and/or any of its Affiliates ability to acquire, hold, transfer or realise such Index Constituent or to otherwise effect transactions in relation to such Index;
- (ii) where the Reference Source for an Index or an Index Constituent is not an exchange, a trading system or a quotation system as determined by the Calculation Agent,
- (a) the Reference Level published by the Reference Source in the manner specified in the definition of Reference Level in Product Condition 1 is stated by the Reference Source to be subject to a market disruption or other event affecting the price or value (or an element of such price or value) of such Index or Index Constituent;
  - (b) it is not possible, for reasons beyond the reasonable control of the Calculation Agent, to determine the price or value (or an element of such price or value) of such Index or Index Constituent by reference to such Reference Source in the manner specified in the definition of "Reference Level" in Product Condition 1 or in "Information relating to the Underlying", or otherwise according to the rules or normal or accepted procedures for the determination of such price or value (whether due to non-publication of such price or value or otherwise); or



- (c) any event occurs, as described in 4.1.2.4., 4.1.2.5.and/or 4.1.2.6 above in relation to any such Index or Index Constituent; and

if, in the determination of the Calculation Agent, any of the foregoing is material and in determining what is "material" the Calculation Agent may have regard to such circumstances as it in its reasonable discretion deems appropriate, including any hedging arrangements of the Issuer and/or any of its Affiliates in relation to the Securities.

#### **4.1.3 Adjustments to the Index**

The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with General Condition 4 of any determination made by it pursuant to paragraph 4.1.3.1, 4.1.3.2 or 4.1.3.3 below.

4.1.3.1 Upon the occurrence of a Market Disruption Event in respect of a Principal Index or Sub-Index (an "**Affected Index**") on any Business Day (a "**Disrupted Day**"), the Issuer may require the Calculation Agent to:

4.1.3.1.1 determine the Reference Level for such Affected Index to be any subsequently published level of such Affected Index in respect of such Disrupted Day, whether such publication is a correction of the originally published Reference Level, or a publication of the level for such Affected Index and such Disrupted Day on a "fixing page" or other internet page published by the sponsor of such Affected Index (details of which, if known, are indicated in the definition of "Underlying" in Product Condition 1 above); or

4.1.3.1.2 calculate the Reference Level for the Affected Index on the first Business Day on which such Market Disruption Event or Additional Disruption Event ceases to exist (such day, the "**Disruption End Date**"), by determining the price of each constituent of the Affected Index that was subject to a Market Disruption Event or Additional Disruption Event on each Disrupted Day (a "**Disruption Affected Constituent**"), as if the Closing Price for the Exchange Instrument related to the Disruption Affected Constituent on each such Disrupted Day was the Closing Price for the Exchange Instrument in respect of the Disruption Affected Constituent in respect of the Disruption End Date;

4.1.3.2 If an Index is:

4.1.3.2.1. not calculated and announced by the relevant Index Sponsor but is calculated and published by a successor sponsor (the "**Successor Sponsor**") acceptable to the Calculation Agent; or

4.1.3.2.2. replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index,

then in each case that Index will be deemed to be the index so calculated and announced by such Successor Sponsor or that successor index, as the case may be.

4.1.3.3 If:

4.1.3.3.1 on or prior to any date with respect to which the Calculation Agent is required by the Product Conditions to determine the level of an Index, the relevant Index Sponsor or, if applicable, the Successor Sponsor (i) makes or announces that it will make a material change in the formula for or the method of calculating that Index or in any other way

materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or (ii) permanently cancels that Index (an "**Index Cancellation**") or (iii) fails to calculate and announce that Index (an "**Index Disruption**") and, in each case, Product Condition 4.1.3.2.1 or 4.1.3.2.2 does not apply,

then the Issuer may take any action described in 4.1.3.3.2 or 4.1.3.3.3 below:

- 4.1.3.3.2 require the Calculation Agent to determine the level of that Index on that date using, in lieu of a published level for that Index, the level for that Index as at that date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the Index Modification, Index Cancellation or Index Disruption but using only those Index Constituents that comprised that Index immediately prior to the Index Modification, Index Cancellation or Index Disruption; or
- 4.1.3.3.3 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Index Modification, Index Cancellation or Index Disruption, as the case may be, less the direct or indirect cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4.

Where provisions for the calculation of an Index are set out in "Information Relating to the Underlying Asset" attached hereto then, for the avoidance of doubt, all the provisions set out in such sections are an integral part of how such Index is calculated and no calculation of such Index pursuant to any such provisions (including, but not limited to, any change in any Applicable Percentage or any operation of the provisions, if any, set out therein) will constitute an Index Modification as referred to above in Product Condition 4.1.3.3.1 or necessitate any determination by the Calculation Agent pursuant to this Product Condition 4.1.3.3.

- 4.1.3.4. The Calculation Agent shall, as soon as practicable after receipt of any written request to do so, advise a Securityholder of any determination made by it pursuant to this Product Condition 4 which occurs on or before the date of receipt of such request. The Calculation Agent shall make available for inspection by Securityholders copies of any such determinations.

#### **4.1.4. Additional Disruption Events**

- 4.1.4.1 Without prejudice to Product Condition 4.1.2 or General Condition 2, following the declaration by the Issuer of the occurrence of any Additional Disruption Event and provided that such Additional Disruption Event has an effect on the Issuer and/or any of its Affiliates in connection with (i) obligations of the Issuer under the Securities and/or (ii) any related hedging arrangements, the Issuer may take any one of the following actions:
  - 4.1.4.1.1 require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Conditions

to account for the Additional Disruption Event and determine the effective date of that adjustment. Without limitation, such adjustment may take into account and pass on to the Securityholder(s) any increased direct or indirect cost to the Issuer and or/any of its Affiliates as a result of or in connection with the relevant Additional Disruption Event; or

4.1.4.1.2 cancel the Securities by giving notice to Securityholders in accordance with General Condition 4. If the Securities are so cancelled, the Issuer will pay an amount to each Securityholder in respect of each Security held by such Securityholder which amount shall be the fair market value of a Security taking into account the Additional Disruption Event less the direct or indirect cost to the Issuer and/or any of its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its reasonable discretion. Payment will be made in such manner as shall be notified to the Securityholders in accordance with General Condition 4.

4.1.4.2 **"Additional Disruption Event"** means any of the following:

4.1.4.2.1 the Issuer determines that (i) due to the adoption of or any change in any applicable law or regulation (including without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), (A) it has or will become illegal or impractical for the Issuer and/or any of its Affiliates to hold, acquire or dispose of any share, Commodity or any Exchange Instruments or (B) the Issuer and/or any of its Affiliates has or will incur a materially increased direct or indirect cost in performing its obligations under the Securities and/or any related hedging arrangements (including, without limitation, due to any increase in tax liability, decrease in tax benefits or other adverse effect on the tax position of the Issuer and/or any of its Affiliates); or

4.1.4.2.2 the Issuer determines that it and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any arrangement(s), transaction(s) or asset(s) it deems necessary to hedge the risks of the Issuer entering into and performing its obligations with respect to the Securities, or (B) realise, recover or remit the proceeds of any such arrangement(s), transaction(s) or asset(s); or

4.1.4.2.3 the Issuer determines that it and/or any its Affiliates has or would incur a materially increased amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any arrangement(s), transaction(s) or asset(s) it deems necessary to hedge the risks of the Issuer entering into and performing its obligations with respect to the Securities or (B) realise, recover or remit the proceeds of any such arrangement(s), transaction(s) or asset(s); or

4.1.4.2.4 (i) the Issuer determines, at any time, that a Market Disruption Event pursuant to Product Condition 4.1.2.4 and/or (if specified) Product Condition 4.1.2.5 and/or 4.1.2.6 has existed for eight or

more Trading Days and continues to exist and that any alternative valuation methods provided for in the Product Conditions would, in the determination of the Issuer, not be appropriate for the purposes of making the relevant calculation; and

- (ii) the Issuer then elects to treat such Market Disruption Event as an Additional Disruption Event.

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**This Supplement is dated 18 August 2008.**