

8.52% p.a. Autocall Barrier Reverse Convertible on H&M, Michael Kors and Richemont



qCHF – 1.5 Years

Terms and Conditions

I. PREAMBLE

Any offers of the Notes described in this Term Sheet will be subject to the restrictions of Directive 2003/71/EC of the European Parliament and of the Council of November 4th, 2003 (the "Prospectus Directive") including any relevant implementing measures in each Member State of the European Economic Area in which the Prospectus Directive has been implemented. Potential investors into whose possession this Term Sheet comes are required by the Issuer to inform themselves about and to observe these restrictions. Any offers made in violation of these restrictions will be unlawful.

This product does not represent a collective investment scheme and is not subject to the supervision of the Swiss Financial Market Supervisory Authority FINMA. Investors in this product are therefore not eligible for the specific protection under the Collective Investment Schemes Act (CISA).

These Notes are governed by the Terms and conditions of the Issuer's Base Prospectus for Warrant and Certificate dated 10 June 2016 (the "Prospectus") and the relating Final Terms.

Terms in upper cases which are not defined herein have the meaning given to them in the Prospectus.

The Prospectus is available upon request to Kepler Cheuvreux ("KECH").

II. PRODUCT CHARACTERISTICS

Issuer	:	BNP Paribas Arbitrage Issuance B.V. (S&P's A) (on an unsecured basis)	
Issuer's Domicile	:	Herengracht 537 - 1017 BV Amsterdam - The Netherlands	
Issuer's Prudential Supervision	:	BNP Paribas Arbitrage Issuance B.V. is not subject to a prudential supervision.	
Guarantor	:	BNP Paribas (S&P's A / Moody's A1 / Fitch A+) (on an unsecured basis)	
Guarantor's Domicile	:	16 boulevard des Italiens - 75009 Paris - France	
Guarantor's Prudential Supervision	:	BNP Paribas is authorised and supervised by European Central Bank (ECB) and the Autorité de Contrôle Prudentiel et de Résolution (ACPR).	
Principal Security Agent	:	BNP Paribas Arbitrage S.N.C.	
Principal Security Agent's Domicile	:	160-162 Boulevard MacDonald, 75019 Paris, France	
Calculation Agent	:	BNP Paribas Arbitrage S.N.C.	
Calculation Agent's Domicile	:	160-162 Boulevard MacDonald, 75019 Paris, France	
Codes	:	ISIN	XS1447063824
		Common	144706382
		Valoren	34970951
Issue Type	:	Certificate	
Seniority	:	Unsecured Certificate	

Issue Amount	: CHF 1,385,000
Number of Certificates	: 1,385
Notional Amount per Certificate (N)	: 1 Certificate = CHF 1,000
Settlement Currency	: CHF Quanto
Issue Price per Certificate	: 100.00%
Trade Date	: March 03rd, 2017
Strike Date	: March 03rd, 2017
Issue Date	: March 10th, 2017
Redemption Valuation Date	: September 04th, 2018
Redemption Date	: September 11th, 2018
Underlying Shares	:

i	Name of Underlying Share ⁱ	Bloomberg Code	Share ⁱ _{Initial}	Knock-in Price ⁱ	Automatic Early Redemption Price ⁱ
1	COMPAGNIE FINANCIERE RICHEMONT AG	CFR VX	75.25	52.6750	71.4875
2	HENNES MAURITZ	HMB SS	237.50	166.25	225.6250
3	Michael Kors Holdings Ltd	KORS UN	36.41	25.4870	34.5895

Number of Shares / Entitlement (per Certificate) : COMPAGNIE FINANCIERE RICHEMONT AG - $\frac{N}{\text{Share}_1^{\text{Initial}}}$
 HENNES MAURITZ - $\frac{N}{\text{Share}_2^{\text{Initial}}} \times \frac{\text{FX}_2}{\text{FX}_1}$
 Nokia OYJ - $\frac{N}{\text{Share}_3^{\text{Initial}}} \times \frac{\text{FX}_3}{\text{FX}_1}$

Strike Price : COMPAGNIE FINANCIERE RICHEMONT AG - 75.25 (100% of $\text{Share}_1^{\text{Initial}}$)
 HENNES MAURITZ - 237.50 (100% of $\text{Share}_2^{\text{Initial}}$)
 Michael Kors Holdings Ltd - 36.41 (100% of $\text{Share}_3^{\text{Initial}}$)

Interest Amount : **N x 2.13%** i.e. CHF 21.30 per Certificate, paid quarterly.
 Paid on June 14th, 2017, September 12th, 2017, December 11th, 2017, March 12th, 2018, June 11th, 2018 and on the Redemption Date.

The Interest Amount Payment is split into two components for tax purposes:

1. 0% (i.e. 0% p.a.) is subject to income tax
2. 2.13% is classified as a capital gain

For the avoidance of doubt, no further Interest Amount will be paid after the Certificates have been automatically early redeemed.

Automatic Early Redemption : If, on any Automatic Early Redemption Valuation Date_n, the official closing price of each Underlying Share is greater than or equal to its **Automatic Early Redemption Price**ⁱ, then the Issuer shall redeem each Certificate on the relevant **Automatic Early Redemption Date**_n at the Automatic Early Redemption Amount calculated as follows:

N x 100%

n	Automatic Early Redemption Valuation Date _n	Automatic Early Redemption Date _n
1	September 05th, 2017	September 12th, 2017
2	December 04th, 2017	December 11th, 2017
3	March 05th, 2018	March 12th, 2018
4	June 04th, 2018	June 11th, 2018

Automatic Early Redemptionⁱ : **95% x Share**ⁱ_{Initial} **with i from 1 to 3**

Knock-in Priceⁱ : **70% x Share**ⁱ_{Initial} **with i from 1 to 3**

Knock-in Determination Day : The Redemption Valuation Date.

Knock-in Valuation Time : Specific Scheduled Closing Time of each Underlying Share on the Redemption Valuation Date.

Knock-in Event : A Knock-in Event shall be deemed to occur if, at the Knock-in Valuation Time on the Knock-in Determination Day, at least one Underlying Share closes at a price strictly less than its Knock-in Price.

Final Redemption : On the **Redemption Date**, if the Certificates have not been automatically early redeemed or purchased and cancelled by the Issuer prior to the Redemption Valuation Date, the Issuer shall redeem each Certificate at the following Cash Settlement Amount:

1) If no **Knock-in Event** has occurred:

N x 100%

2) Otherwise:

Physical Delivery of the Worst-Performing Underlying Share + Cash Settlement for fraction of Shares.

- *if the Worst-Performing Underlying Share is COMPAGNIE FINANCIERE RICHEMONT AG:*

Physical Delivery of Underlying Shares in CHF: round part of n, rounded to the lowest integer

$$\text{With } n = \frac{N}{\text{WO Share}_{\text{Initial}}}$$

+ Cash settlement in CHF : (decimal part of n) × WO Share_{Final}

- *if the Worst-Performing Underlying Share is HENNES MAURITZ:*

Physical Delivery of Underlying Shares in SEK: round part of n, rounded to the lowest integer

$$\text{With } n = \frac{N}{\text{WO Share}_{\text{Initial}}} \times \frac{\text{FX}_2}{\text{FX}_1}$$

+ Cash settlement in CHF : (decimal part of n) × WO Share_{Final} × $\frac{\text{FX}_1}{\text{FX}_2}$

- *if the Worst-Performing Underlying Share is Michael Kors Holdings Ltd:*

Physical Delivery of Underlying Shares in USD: round part of n , rounded to the lowest integer

$$\text{With } n = \frac{N}{\text{WO Share}_{\text{Initial}}} \times \frac{\text{FX}_3}{\text{FX}_1}$$

$$+ \text{Cash settlement in CHF} : (\text{decimal part of } n) \times \text{WO Share}_{\text{Final}} \times \frac{\text{FX}_1}{\text{FX}_3}$$

Where

The Worst-Performing Underlying Share is the Underlying Share with the worst performance from the **Strike Date** to the **Redemption Valuation Date**, defined as:

$$\min_{i=1,2,3} \left(\frac{\text{Share}_{\text{Final}}^i}{\text{Share}_{\text{Initial}}^i} \right)$$

WO Share_{Initial} is the official closing price of the Worst-Performing Underlying Share on the **Strike Date**.

WO Share_{Final} is the official closing price of the Worst-Performing Underlying Share on the **Redemption Valuation Date**.

Share_{Initial}ⁱ with i from 1 to 3 is the official closing price of the **Shareⁱ** on the **Strike Date**.

Share_{Final}ⁱ with i from 1 to 3 is the official closing price of the **Shareⁱ** on the **Redemption Valuation Date**.

FX₃ is the EUR/USD foreign exchange fixing rate as determined by the Calculation Agent by reference to Reuters screen page WMRSPOT (or any successor page thereto, as determined by the Calculation Agent) at approximately 4:00 p.m. London time, on the Redemption Valuation Date.

FX₂ is the EUR/SEK foreign exchange fixing rate as determined by the Calculation Agent by reference to Reuters screen page WMRSPOT (or any successor page thereto, as determined by the Calculation Agent) at approximately 4:00 p.m. London time, on the Redemption Valuation Date.

FX₁ is the EUR/CHF foreign exchange fixing rate as determined by the Calculation Agent by reference to Reuters screen page WMRSPOT (or any successor page thereto, as determined by the Calculation Agent) at approximately 4:00 p.m. London time, on the Redemption Valuation Date.

Business Day Convention	: Following Business Day
Business Days for payment	: Zurich
Governing Law	: English law
Jurisdiction	: Jurisdiction of the Courts of England
Security	: Guarantee of Guarantor, subject to English law and jurisdiction of the Courts of England
Listing	: None
Minimum Trading Size	: 1 Certificate (and multiples of 1 Certificate thereafter)
Minimum Exercise	: Not applicable
Cut-off Date for Asset Transfer Notice	: The third Business Day immediately preceding the Redemption Date where, for the purposes of Conditions 35.2 of the Base Prospectus "Physical Delivery" only "Business Day" means a day on which banks in Zurich and the relevant clearing system(s) are open for business.
Form	: Clearing System Global Certificate

Secondary Trading : Daily price indications will be published on Bloomberg and Telekurs.

Under normal conditions, Kepler Cheuvreux may, in its sole discretion and on a reasonable effort basis, provide a secondary market during life of the Notes with an indicative bid offer spread of 1%. However, the spread between bid and offer prices may decrease or increase during the term of the Notes. There can be no guarantee as to the price at which Kepler Cheuvreux would offer to purchase the Notes. Furthermore, under some circumstances, the secondary market may be limited and subject to wider bid offer spreads (see Liquidity Risk).

Tax Treatment Switzerland

The following is a summary of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of the Notes. This summary does not address the tax consequences of an investment in the Notes in any other jurisdiction than Switzerland. Because this summary does not address all tax considerations under Swiss law and does not consider the specific tax situation of an investor, prospective investors are recommended to consult their personal tax advisors as to the tax consequences of the purchase, ownership, sale or redemption of the Notes including, in particular, the effect of tax laws of any other jurisdiction.

An investor shall be liable for all current and future taxes and duties resulting from an investment in the Notes.

Swiss Federal Stamp Duty

This product is subject to Swiss stamp duty.

Therefore, secondary market transactions are subject to Swiss stamp duty. If shares are delivered to the investor at redemption, the delivery of shares is in principle subject to the Swiss stamp duty.

Swiss Withholding Tax

The product is not subject to the Swiss withholding tax.

Swiss Income Tax

This product is classified as transparent, where the majority of the return of the bondpart is in the form of a Bond.

Therefore, private investor with tax domicile in Switzerland, is subject to the Swiss Federal Income Tax on the difference between the bondfloor at purchase and the bondfloor at sale or redemption (if denominated in foreign currency these amounts must be converted into CHF by applying the prevailing exchange rate at purchase date and sale or redemption date when applicable). The present value of the bond part at issue is 101.0603% (ref.rate: - 0.7007%)

However, any gain derived from the option is considered as a capital gain and therefore for such investor not subject to the Swiss federal, cantonal or communal Income Tax.

For private investors with tax domicile in Switzerland, the interest component of the Interest Amount payment is subject to Swiss Federal as well as Cantonal and Communal Income Tax. The premium component of the Interest Amount payment is classified as a capital gain, therefore not subject to Income Tax.

The tax information only provides a general overview of the potential Swiss tax consequences linked to this Product at the time of issue. Tax laws and tax doctrine may change, possibly with retroactive effect.

Please note that this tax information does not replace professional tax advice from a personal tax advisor considering the particular circumstances of a holder or a prospective holder. Therefore, the Issuer and Kepler Cheuvreux highly recommend consulting the personal tax advisor as to the tax consequences of the purchase, ownership, sale or exercise of these Certificates. The Issuer and Kepler Cheuvreux hereby expressly exclude any liabilities in respect of any tax implications arising thereof.

III. IMPORTANT INFORMATION

Selling Restrictions

For selling restrictions and other details see the Prospectus which sets out standard selling restrictions including notably a permanent restriction on sales to US Persons.

European Economic Area

This Term Sheet is addressed solely to (i) persons outside the European Economic Area and/or (ii) Qualified Investors (as defined in the Prospectus Directive) (all such persons in (i) and (ii) together being referred to as "Relevant Persons").

By being in receipt of this Term Sheet you acknowledge, represent and agree that (i) you will not distribute, forward, copy, reproduce or otherwise pass on this Term Sheet to any person who is not a Relevant Person, (ii) you are aware of and understand the requirements of the Prospectus Directive including any relevant implementing measures in each Member State of the European Economic Area in which the Prospectus Directive has been implemented

Switzerland

This product does not represent a collective investment scheme and is not subject to the supervision of the Swiss Financial Market Supervisory Authority FINMA. Investors in this product are therefore not eligible for the specific protection under the Collective Investment Schemes Act (CISA).

This Notes may not be distributed to non-qualified investors in or from Switzerland and neither this document nor any other material document relating to the Notes may be distributed to non-qualified investors in or from Switzerland, as such terms are defined under the CISA, its implementing ordinances and the relevant practice of the FINMA. The Notes may only be distributed in or from Switzerland to qualified investors, as such term defined in the CISA and its implementing ordinances. This document does not constitute a simplified prospectus within the meaning of Art. 5 CISA. The Notes is not intended to be listed on the Swiss Stock Exchange ("SIX") or any other regulated securities markets in Switzerland and consequently, the information presented in this Notes does not comply with the information standards set out in the relevant listing rules.

Risk Factors

Investing in the Notes involves substantial risks, including without limitation, principal, interest rate, currency, credit, political, liquidity and market risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Securities. The description of risks and special considerations below does not purport to be exhaustive and prospective investors should consider all the information set forth in the Base Prospectus in addition to the risk factors set out below.

Each of the Guarantor, the Issuer and KECH disclaim any responsibility to update prospective investors in relation to such risks subsequent to the date hereof. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and should reach an investment decision after careful consideration with their tax, accounting and legal advisers of the suitability of the Notes in light of their particular financial circumstances, financial condition and investment objectives. Investment in the Notes may not be suitable for all investors. The Issuer reserves the right not to issue the Securities in its sole and absolute discretion.

Investors should also refer to "Risk Factors" set out in the Documentation.

Credit Risk of the Issuer and Guarantor

As the Notes constitute obligations of the Issuer and Guarantor, investors are exposed to their credit risk during the life of the Notes. The Issuer's and the Guarantor's credit ratings are an assessment of their ability to pay their obligations. Consequently, real or anticipated changes in the Issuer's or the Guarantor's credit rating and/or fluctuations in the prevailing credit spread of their issued debt may affect the trading value of the Notes. However, because the return on the Notes is dependent upon factors in addition to the Issuer's and the Guarantor's ability to pay their obligations under the Notes, an improvement in the Issuer's or the Guarantor's credit ratings will not reduce the other investment risks related to the Notes.

No assurance can be given as to what the financial condition of the Issuer and the Guarantor will be at any time during the term of the Notes or the Maturity Date. The Guarantor could incur losses in future periods as a result of various factors including increased market volatility or decreased market liquidity, which may adversely impact the valuation of its trading and investment positions as more fully described in the Prospectus.

If the Issuer or Guarantor were to become insolvent, your investment would be at risk and you could lose all or some of the money you initially invested. The Notes are not backed, guaranteed or protected by any financial protection or compensation scheme. For the avoidance of doubt, the Issuer will use the proceeds of this Notes issuance for its general corporate purposes as described in the Prospectus.

The securities may not be a suitable investment for all investors

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances.

The Notes are complex financial instruments. A potential investor should not invest in the Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how such Notes will perform under changing conditions, the resulting effects on the value of those Notes, and the impact this investment will have on the potential investor's overall investment portfolio.

Neither the Issuer, the Guarantor nor KECH is responsible for the legality and/or suitability of the purchase of the Notes by a prospective investor (whether it is acquiring the Notes as principal or in a fiduciary capacity) or for compliance by that prospective purchaser with any law, regulation, rule, directive or policy applicable to it. A prospective investor may not rely on the Issuer, the Guarantor or the Dealer when making determination in relation to these matters.

Early Redemption of the Notes may affect the return on the Notes and result in substantial losses to Holders

The Notes may be redeemed prior to the Maturity Date upon certain circumstances as described herein, including as a result of an Adjustment Event, Tax Redemption Event or an election by the Issuer or the Holders' to redeem the Notes prior to the Maturity Date. Upon any early redemption of the Notes, the redemption amount shall be calculated in accordance with the Prospectus or as otherwise specified in the Final Terms. The redemption amount may be substantially less in value than the Nominal of the Note and may in certain circumstances, be equal to zero. Accordingly, the Notes are only suitable as an investment from investors who are able to understand the financial risks

associated with any early redemption and willing to withstand the consequences it may have on their initial investment, in particular the risk to incur a substantive loss.

Value of the Notes prior to the Maturity Date

The value of the Notes will be affected by many factors including, but not limited to, the complexity and volatility of the Underlying, time remaining to the Maturity Date, interest rates, and dividend yield. Furthermore, value of the Notes may be particularly affected by the credit risk of the Issuer and Guarantor and Liquidity Risk as described below. The effect of one factor may offset the increase in the value of the Notes caused by another factor and the effect of one factor may exacerbate the decrease in the value of the Notes caused by another factor.

An investor may lose some or all of its investment if it seeks to sell the relevant Notes prior to their scheduled settlement/maturity and the sale price of the Notes in the secondary market is less than the investor's initial investment

Value of the Notes on the Maturity Date

The return on the Notes will be determined by the Calculation Agent in its sole and absolute discretion and consequently, such determination may not reflect the return the investor would realise if he or she actually owned the Underlying or the components thereof.

An investor will not be a beneficial owner of the Underlying or of the components of the Underlying and will not be entitled to any voting rights or other control rights to which holders of the Underlying or the components thereof would be entitled.

If capital of the Notes is not guaranteed: Redemption price may vary according to the price of the Underlying on the last valuation date and can result in investors sustaining a total loss of the purchase price of the Notes if the price of the Underlying does not move in the anticipated direction. This risk is unrelated to the financial creditworthiness of the Issuer and Guarantor.

If capital of the Notes is protected (in whole or part): the relevant portion of principal of the Notes will, to the extent specified in the Final Terms, not be at risk of loss as a result of any fluctuations in value of any Underlying to which the Notes are linked. The Notes will only be expected to provide the return on the relevant portion of principal upon their maturity. The amount of interest or other non-principal amount payable in respect of the Notes may be dependent on the performance of the Underlying to which the Notes are linked and is not protected as described in relation to principal. Holders may receive no return on their investment during its term.

Liquidity Risk

The Notes are not intended to be short-term trading instrument and investors should be prepared to hold their Notes until the Maturity Date. There is no assurance that any secondary market will be developed or be maintained for the Notes or that the secondary market will be liquid. An illiquid market may have an adverse impact on the price at which the Notes may be sold in the secondary market. While under ordinary market conditions, Kepler Cheuvreux intends to provide a secondary market in the Notes, it is not required to do so and Kepler Cheuvreux may discontinue its market at any time without notice, at its sole discretion.

No provision of advice

Neither the Issuer, the Guarantor nor KECH is or shall be deemed to be a source of advice, information or analysis with respect to any Underlying. In particular, neither this Term Sheet nor the Prospectus constitutes an investment advice or recommendation to subscribe in the Notes.

Each investor shall be deemed (i) to acknowledge its understanding and acceptance of the matters set out herein, (ii) to have made its own examination and assessment of any Underlying, (iii) not to have relied on any representation of the Issuer, the Guarantor or KECH regarding any Underlying and (iv) not to have received any information from the Issuer, the Guarantor or KECH regarding any Underlying.

Each investor in the Notes should determine for itself the relevance and adequacy of the information contained in, or referred to in, this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. All information herein and under the Notes relating to any Underlying is derived from publicly available information released by the relevant Sponsor and other public sources and neither the Issuer, the Guarantor nor KECH has separately and independently verified and will separately and independently verify any such information. Neither the Issuer, the Guarantor nor KECH undertakes to review the performance or value of any Underlying during the life of the Notes or to advise any investor or prospective investor in the Notes of any information coming to the attention of the Issuer and/or the Guarantor. Neither the Issuer, the Guarantor nor KECH makes any representation, warranty, or guarantee (express or implied) regarding (i) the accuracy, completeness or adequacy of the information relating to any Underlying or (ii) the performance thereof.

Each investor in the Notes shall be deemed to acknowledge its understanding and acceptance on the date on which it purchases the Notes that it is acting for its own account, and it has made its own independent decisions to purchase the Notes and as to whether such a purchase or holding is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary; that it is not relying on any communication (written or oral) of the Issuer, the Guarantor or KECH as investment advice or as a recommendation to purchase the Notes or a direct or indirect interest (including by way of participation) in the Notes; and that it is capable of assessing the (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of purchasing or holding the Notes (or a direct or indirect interest (including by way of participation) in the Notes). Neither the Issuer, the Guarantor and not KECH thereof is acting as a fiduciary for or an adviser to it in respect of the Notes or any direct or indirect interest (including by way of participation) in the Notes.

Fees

Fees and Commissions will be payable in relation to these Notes. Detail of those fee and commissions are available to you upon request

The contents of this document are indicative, are subject to change without notice and are subject to the finalisation of the Prospectus and other relevant documents and procedures relating to the Notes described in this document. This document does not constitute a commitment from Kepler Cheuvreux to subscribe for or place the Notes described in this document. This document is intended for the sole use of the Investor on the basis that before entering into this, and/or any related transaction, the Investor will ensure that it fully understands the potential risks and the financial, legal, regulatory, tax, accounting and other implications of this and/or any related transaction. The Investor should consult with such advisers as it deems necessary to assist it in making these evaluations. Kepler Cheuvreux will not act as Investor's adviser nor owe any fiduciary duty to the Investor in connection with this and/or any related transaction and no reliance may be placed on Kepler Cheuvreux for advice or recommendations of any sort. This document may not be communicated or distributed to any other person without the prior written consent of the Kepler Cheuvreux, and the Notes described in this document will, if issued, be subject to restrictions on their offer and sale in the United States of America and elsewhere.