

Final Terms dated 29 July 2016

ING Bank N.V.

**Issue of a maximum of 70,000 Units Express Notes linked to BAYN GY due August 2021
issued pursuant to a
€40,000,000,000 Global Issuance Programme**

(Commercial name: Express Certificates linked to BAYN GY)

Any person making or intending to make an offer of the Notes may only do so:

- (i) in the Public Offer Jurisdiction mentioned in Paragraph 8 (*Distribution*) of Part B below, provided such person is of a kind specified in that paragraph and that the offer is made during the Offer Period specified in that paragraph; or
- (ii) otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Part A – Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of (1) the “General Terms and Conditions” set forth in the Base Prospectus for the issuance of Medium Term Notes and Inflation Linked Notes dated 27 June 2016 of ING Bank N.V., ING Bank N.V., Sydney Branch and ING Americas Issuance B.V., as supplemented from time to time, (the “**Level 1 Programme Prospectus**”), and (2) the “Terms and Conditions of Share Linked Notes” set forth in the Base Prospectus for the issuance of Share Linked Notes of ING Bank N.V. and ING Americas Issuance B.V. dated 27 June 2016, as supplemented from time to time, (the “**Share Linked Note Base Prospectus**” and together with the Level 1 Programme Prospectus, the “**Prospectus**”) which constitutes a base prospectus for the purposes of Directive 2003/71/EC, as amended from time to time (the “**Prospectus Directive**”). This document constitutes the Final Terms applicable to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (as implemented by the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and its implementing regulations) and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing at <https://www.ingmarkets.com> under the section “Downloads” and copies of the Prospectus may be obtained from ING Bank N.V. at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands.

The Italian Certificates offered hereby have been issued pursuant to the Prospectus provided that (i) all references to “Notes” in the relevant sections of the Prospectus and in these Final Terms shall be deemed to be references to “Italian Certificates” and (ii) all references to “Noteholders” in the relevant sections of the Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates.

Prospective investors should carefully consider the section “Risk Factors” in this Base Prospectus.

General Description of the Notes

1	Issuer:	ING Bank N.V.
2	Series Number:	7347
3	Specified Currency or Currencies:	EUR

4	Aggregate Nominal Amount:	A maximum of 70,000 Units
5	Issue Price:	EUR 100 per Unit
6	(i) Specified Denominations:	1 Unit per Note
	(ii) Calculation Amount:	EUR 100
7	Issue Date and Interest Commencement Date:	9 August 2016
8	Maturity Date:	5 August 2021
9	Interest Basis:	Memory Interest (further particulars specified in paragraph 37 below)
10	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at the Final Redemption Amount calculated in accordance with paragraph 46 below.
11	Change of Interest Basis:	Not Applicable
12	Put/Call Options:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13	Fixed Rate Note Provisions:	Not Applicable
14	Floating Rate Note Provisions:	Not Applicable
15	Zero Coupon Note Provisions:	Not Applicable
16	Tailor-Made Interest Note Provisions:	Not Applicable
17	Step-Up Interest Note Provisions:	Not Applicable
18	Floater Interest Note Provisions:	Not Applicable
19	Floater with Lock-In Interest Note Provisions:	Not Applicable
20	Reverse Floater Interest Note Provisions:	Not Applicable
21	Ratchet Floater Interest Note Provisions:	Not Applicable
22	Switchable (Fixed to Floating) Interest Note Provisions:	Not Applicable
23	Switchable (Floating to Fixed) Interest Note Provisions:	Not Applicable
24	Steeper Interest Note Provisions:	Not Applicable
25	Steeper with Lock-In Interest Note Provisions:	Not Applicable
26	Range Accrual(Rates) Interest Note Provisions:	Not Applicable
27	Range Accrual(Spread) Interest Note Provisions:	Not Applicable
28	Inverse Range Accrual Interest Note Provisions:	Not Applicable
29	KO Range Accrual Interest Note Provisions:	Not Applicable
30	Dual Range Accrual Interest Note Provisions:	Not Applicable

31	Snowball Interest Note Provisions:	Not Applicable												
32	SnowRanger Interest Note Provisions:	Not Applicable												
33	Barrier(Rates) Interest Note Provisions:	Not Applicable												
34	Reference Item(Inflation) Performance Linked Interest Note Provisions:	Not Applicable												
35	Reference Item(Inflation) Indexed Interest Note Provisions:	Not Applicable												
36	Step-Up Barrier Interest Note Provisions:	Not Applicable												
37	Memory Interest Note Provisions:	Applicable												
	(i) Additional Business Centre(s):	Milan												
	(ii) Asian-in:	Not Applicable												
	(iii) Basket Level Determination:	Not Applicable												
	(iv) Business Day Convention:	Following Business Day Convention (Unadjusted)												
	(v) Coupon Barrier Criterion:	Excess/Equal												
	(vi) Coupon Barrier Schedule:	<table border="0"> <thead> <tr> <th style="background-color: #cccccc;">Interest Period(t) (ending on (but excluding) Interest Payment Date(t))</th> <th style="background-color: #cccccc;">Coupon Barrier(t)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">t= 1 to 5</td> <td style="text-align: center;">100% of the Initial Share</td> </tr> </tbody> </table>	Interest Period(t) (ending on (but excluding) Interest Payment Date(t))	Coupon Barrier(t)	t= 1 to 5	100% of the Initial Share								
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Interest Period(t) (ending on (but excluding) Interest Payment Date(t))	Coupon Observation Date(t)													
t=1	31 July 2017													
t=2	30 July 2018													
t=3	29 July 2019													
t=4	29 July 2020													
t=5	29 July 2021													
	(viii) Day Count Fraction:	1/1												
	(ix) Interest Payment Dates:	7 August 2017, 6 August 2018, 5 August 2019, 5 August 2020 and 5 August 2021												
	(x) Lookback-in:	Not Applicable												
	(xi) Memory:	9.25%												
	(xii) Party responsible for calculating the Rate of Interest and Interest(s) Amount:	Calculation Agent												
	(xiii) Specified Time	Applicable												
	- Constant Monitoring:	Not Applicable												
	- Valuation Time Only:	Applicable												
	(xiv) Rate of Interest(1):	9.25%												
	(xv) Strike Date:	5 August 2016												
	(xvi) Other terms relating to the method of calculating interest on Barrier(Share) Interest Notes:	None												
38	One Touch Barrier(Share) Interest	Not Applicable												

39	Reference Item(Share) Performance Linked Interest Note Provisions:	Not Applicable
40	Best Of Interest:	Not Applicable
41	One Touch Lock-In(Share) Interest	Not Applicable
42	Annual Coupon Interest Provisions:	Not Applicable
43	Coupon Knock-Out:	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
44	Issuer Call:	Not Applicable
45	Investor Put:	Not Applicable
46	Final Redemption Amount of each Note:	Calculated in accordance with the Express Note Provisions below

47	Inflation Indexed Redemption Note Provisions:	Not Applicable
48	Inflation Indexed with Floor Redemption Note Provisions:	Not Applicable
49	Uncapped (Partial) Capital Protection Note Provisions:	Not Applicable
50	Capped (Partial) Capital Protection Note Provisions:	Not Applicable
51	(Partial) Capital Protection With Knock-Out Note Provisions:	Not Applicable
52	(Partial) Capital Protection (Vanilla) Note Provisions:	Not Applicable
53	Reverse Convertible Note Provisions:	Not Applicable
54	Barrier Reverse Convertible Note Provisions:	Not Applicable
55	Capped Outperformance Note Provisions:	Not Applicable
56	Capped Bonus Note Provisions:	Not Applicable
57	Express Note Provisions:	Applicable
	(i) Asian-in:	Not Applicable
	(ii) Strike Price Criterion:	Excess/Equal
	(iii) Business Day:	A day (i) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Milan and (ii) on which the TARGET System is open
	(iv) Leverage Put:	100 %
	(v) Lookback-in:	Not Applicable
	(vi) Specified Time:	Applicable
	– Constant Monitoring:	Not Applicable
	– Valuation Time Only:	Applicable
	(vii) Redemption Barrier Provisions:	Applicable
	– Redemption Barrier applicable to the Basket or to each Share(k):	Not Applicable
	– Redemption Barrier Event:	Less than
	– Redemption Barrier Event Determination Day:	Valuation Date
	– Redemption Barrier(Knock-in):	Applicable
	– Redemption Barrier(Knock-in) Percentage:	70.00 %
	– Redemption Barrier Observation:	Final Monitoring
	– Redemption Barrier Observation Period Start Date:	Not Applicable
	– Redemption Barrier Observation Period End Date:	Not Applicable

(viii) Share Amount(Single Share):	Not Applicable
(ix) Share Amount(k):	Not Applicable
(x) Share Delivery:	Not Applicable
(xi) Share Delivery Date:	Not Applicable
(xii) Strike Date:	5 August 2016
(xiii) Strike Price Percentage:	100 per cent.
(xiv) Valuation Date:	29 July 2021
(xv) Worst of:	Not Applicable
61 Tracker Note Provisions:	Not Applicable
62 Outperformance Note Provisions:	Not Applicable
63 Bonus Note Provisions:	Not Applicable
64 Outperformance Bonus Note Provisions:	Not Applicable
65 Twin-Win Note Provisions:	Not Applicable
66 Warrant Note Provisions:	Not Applicable
67 Spread Warrants Note Provisions:	Not Applicable
68 Knock-Out Warrants Note Provisions:	Not Applicable
69 Other:	
(i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default:	Early Redemption Amount to be equal to Fair Market Value as set out in Condition 7(e)(iv) of the General Conditions
(ii) Notice period (if other than as set out in the General Conditions):	As set out in the General Conditions
(iii) Condition 7 (i) of the General Conditions:	Applicable
(iv) Unwind Costs (with respect to Condition 7(1)(ii) (<i>Consequences of a Merger Event</i>), Condition 7(1)(iii) (<i>Consequences of a Tender Offer</i>), Condition 7(1)(iv) (<i>Nationalisation, Insolvency or DeListing</i>), Condition 7(1)(viii) (<i>Additional Disruption Events</i>) and Condition 7(j)(ii) (<i>Settlement Disruption</i>) of the General Conditions):	Not Applicable

PROVISIONS RELATING TO THE UNDERLYING SHARE

70 Maturity Date Extension:	Applicable
Number of Extension Business Days:	8 Business Days
71 Interest Payment Date Extension:	Applicable
Number of Extension Business Days:	8 Business Days
72 Automatic Early Redemption:	Applicable
– Automatic Early Redemption Amount(t):	$CA \times CA \text{ Factor} \times 100\%$
– Automatic Early Redemption Date(s):	7 August 2017, 6 August 2018, 5 August 2019 and 5 August 2020

	– Automatic Early Redemption Event:	The Price of the Share at the Specified Time is higher than or equal to the Automatic Early Redemption Price(t)
	– Automatic Early Redemption Observation Period Start Date:	Not Applicable
	– Automatic Early Redemption Observation Period End Date:	Not Applicable
	– Automatic Early Redemption Price(t):	100% of the Initial Share Price
	– Automatic Early Redemption Valuation Date(t):	31 July 2017, 30 July 2018, 29 July 2019 and 29 July 2020
	– Automatic Early Redemption Schedule:	Not Applicable
73	Averaging Disruption Provisions:	Not Applicable
74	Basket Disruption Provisions:	Not Applicable
75	Definition of Additional Disruption Event:	
	– Change in Law:	Not Applicable
	– Hedging Disruption:	Applicable
	– Insolvency Filing:	Applicable
	– Exchange Traded Fund Disruption Event:	Not Applicable
	– Underlying Index Disruption Event:	Not Applicable
76	Cut-off Dates:	Applicable
	Observation Cut-Off Date:	Shall have the meaning given to it in Condition 9 of the Share Linked Notes Conditions
	Valuation Cut-Off Date:	Shall have the meaning given to it in Condition 9 of the Share Linked Notes Conditions
	Strike Cut-Off Date:	Shall have the meaning given to it in Condition 9 of the Share Linked Notes Conditions
	Automatic Early Redemption Cut-Off Date:	Shall have the meaning given to it in Condition 9 of the Share Linked Notes Conditions
77	Shares:	Ordinary shares issued by the Share Issuer (ISIN: DE000BAY0017, <Equity>, Bloomberg code: BAYN GY <Equity>)
	Share Currency:	EUR
	Share Issuer:	Bayer AG
	Exchange:	Shall have the meaning given to it in Condition 9 of the Share Linked Notes
	Exchange Traded Fund:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

78	Form of Notes:	Bearer Notes:
	(i) Form:	Temporary Global Note exchangeable for a Permanent

Global Note which is exchangeable for Definitive Notes only on the occurrence of an Exchange Event, subject to mandatory provisions of applicable laws and regulations. “Italian Certificates”

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| (ii) New Global Note: | No |
| 79 Additional Financial Centre(s) or other special provisions relating to Payment Days: | Milan |
| 80 Talons for future Coupons to be attached to Definitive Bearer Notes (and dates on which such Talons mature): | No |
| 81 FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS | |
| (i) FX Provisions: | Not Applicable |
| (ii) Benchmark Provisions: | Not Applicable |
| (iii) FX Convertibility Event Provisions: | Not Applicable |
| (iv) FX Transferability Event Provisions: | Not Applicable |
| (v) Tax Event Provisions: | Not Applicable |
| 82 INFLATION LINKED PROVISIONS: | Not Applicable |

Signed on behalf of the Issuer:

ING BANK N.V.

By:

Duly authorised

By:

Duly authorised

PART B – OTHER INFORMATION

1 LISTING

- (i) Listing: Italian Stock Exchange SeDeX
- (ii) Admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Italian Stock Exchange SeDeX within the Issue Date.
The validity of the offer is conditional upon the admission to trading of the Italian Certificate on or before the Issue Date.
- (iii) As-if-and-when-issued-trading: Not Applicable
- (iv) Estimate of total expenses related to admission to trading: A maximum of EUR 4.500
- (v) Minimum Transferable Amount: 1 Italian Certificate

2 RATINGS

Ratings: The Notes will not be rated

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

“Save for any fees payable to the Authorised Offerors, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Authorised Offerors and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.”

4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: See “Use of Proceeds” wording in the Base Prospectus
- (ii) Estimated net Proceeds: Up to EUR 7,000,000
- (iii) Estimated total expenses: The terms of the Public Offer do not provide for any expenses and/or taxes to be charged to any subscriber and/or purchaser of the Notes.

5 DETAILS OF THE UNDERLYING SHARE

The return on the Notes is linked to the performance of the underlying Share. The price of the Share may go down as well as up throughout the life of the Notes. Fluctuations in the price of the Share will affect the value of and return on the Notes. A negative performance of the underlying Share will have an adverse effect on the value of and return on the Notes.

Information and details of the past and further performance of the underlying Share and its volatility can be obtained on www.intesasanpaolo.com and on www.bloomberg.com (Bloomberg code: BAYN GY <Equity>).

6 POST-ISSUANCE INFORMATION

Post-issuance information in relation to the Notes will be made available on www.ingmarkets.com. There is no assurance that the Issuer will continue to provide such information for the life of the Notes.

7 OPERATIONAL INFORMATION

- (i) ISIN: XS1453567502
- (ii) Common Code: 145356750
- (iii) Other relevant code: Structuring ID: AE5843
- (iv) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*, Euroclear Netherlands and the Depository Trust Company and the relevant identification number(s): Not Applicable
- (v) Delivery: Delivery against payment
The Certificates will be centralised on Euroclear.
The Certificates may be cleared through the bridge accounts of Monte Titoli S.p.A.
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (vii) Name and address of Calculation Agent (if other than the Issuer or Guarantor): Not Applicable
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: No
Whilst the designation is set at “No”, should the Eurosystem eligibility criteria be amended in the future the Notes may then be deposited with one of the International Central Securities Depositories as Common Safekeeper. Note that this does not necessarily mean that the Notes will ever be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

8 DISTRIBUTION

- (i) Method of distribution: Non-syndicated
- (ii) If non-syndicated, name of relevant Dealer: The Notes are not being underwritten by any Dealer(s).
- (iii) Total commission and concession: The Issuer (the “**Responsabile del Collocamento**”) has agreed to make the Notes available to the Authorised Offerors at a price of EUR 100 per Note on the Settlement Date. This price represents a commission element of EUR 4.00 per Note effectively placed, which is reflected in the Issue Price of the Notes (the “**Distribution Fee**”).
- (iv) U.S. Selling Restrictions: TEFRA D rules are applicable
- (v) ERISA: Not Applicable
- (vi) Additional selling restrictions: Not Applicable
- (vii) Non-Exempt Offer: An offer of the Notes may be made Deutsche Bank S.p.A., Piazza del Calendario 3, 20126 Milan – Italy and Finanza & Futuro Banca S.p.A., Piazza del Calendario, 1, 20126 Milan - Italy and (the “**Initial**”

Authorised Offerors”) who has the Issuer’s consent to use the Base Prospectus in connection with the Non-Exempt Offer as an authorised offeror other than pursuant to Article 3(2) of the Prospectus Directive in Italy (the “**Public Offer Jurisdiction**”) during the period from 29 July 2016 until 2 August 2016 (the “**Offer Period**”). See further paragraph 9 (xiii) below

(viii) General Consent: Not Applicable

9 GENERAL

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| (i) Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing the definitive amount to the public: | A maximum of 70,000 Units |
| (ii) Conditions to which the offer is subject: | Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them. |
| (iii) Description of the application process: | A prospective Noteholder should contact the Authorised Offerors in the Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offerors and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes. |
| (iv) Description of possibility to reduce subscriptions: | Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date. |
| (v) Manner for refunding excess amount paid by applicants: | Not Applicable. The terms of the Public Offer do not provide for any refunds of excess amounts paid by applicants. |
| (vi) Minimum and/or maximum amount of application: | There are no pre-identified allotment criteria. The Authorised Offerors will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations. |
| (vii) Method and time limit for paying up the securities and for delivery of the Notes: | Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof. The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. |
| (viii) Manner and date on which results of the offer are to be made public: | Investors will be notified by the Issuer or any applicable financial intermediary of their allocations of Notes and the settlement procedures in respect thereof on or around the Issue Date. |
| (ix) Procedure for exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised: | Not Applicable. The terms of the Public Offer do not provide for a procedure for the exercise of any right of pre-emption or negotiability of subscription rights. |

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| (x) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries. | Offers may be made by the Authorised Offerors in the Public Offer Jurisdiction to any person during the Offer Period. In other European Economic Area countries and in all jurisdictions (including the Public Offer Jurisdiction) outside of the Offer Period, offers will only be made by the Issuer pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations. |
| (xi) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: | Prospective Noteholders may not be allocated all of the Notes for which they apply during the Offer Period. Prospective Noteholders will be notified by the applicable Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders. No dealings in the Notes on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date. |
| (xii) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: | Not Applicable. The terms of the Public Offer do not provide for any expenses and/or taxes to be charged to any subscriber and/or purchaser of the Notes. |
| (xiii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: | The Initial Authorised Offeror identified in paragraph 8 above and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Prospectus in connection with the Public Offer and who are identified on the Issuer's website as an Authorised Offeror (together, the " Authorised Offerors "). |

10 FEES

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|-------------------------------------|--|
| (i) ING Hedging and Margin: | 0.85% per Unit per Note (EUR 0.85 per Unit per Note) |
| (ii) Distribution/Structuring Fees: | 4.00% per Unit per Note (EUR 4.00 per Unit per Note) |

Where:

"**ING Hedging and Margin**" means, as on the trade date, the pro rata amount per Note of (a) the total costs for hedging the Note; and (b) the total margin for the Issuer based on the fair value calculations done by ING Bank N.V. in its sole and absolute discretion, which are included in the Issue Price; and

"**Distribution/Structuring Fees**" means the total fees payable by the Issuer to a third party for (a) distributing, (b) structuring and/or (c) providing advice in relation to the Notes. The Distribution/Structuring Fees are included in the Issue Price.

SUMMARY RELATING TO NON-EXEMPT PD NOTES

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A to E (A.1 to E.7). This Summary contains all the Elements required to be included in a summary for the Notes and the Global Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the nature of the Notes and the Global Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element should be included in the summary with the mention of “Not Applicable”.

Section A – Introduction and warnings

Element		
A.1	Warning and introduction	<p>This summary must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff may, under the national legislation of Member States of the European Economic Area where the claim is brought, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	<p>Consent by the Issuer to the use of the Base Prospectus for subsequent resale or final placement by financial intermediaries, during the offer period indicated, and the conditions attached to such consent.</p>	<p><i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Public Offer (as defined below) of Notes by the Issuer, Deutsche Bank S.p.A. and any financial intermediary which is authorised to make such offers under the applicable legislation implementing Directive 2004/39/EC (the “Markets in Financial Instruments Directive”) and publishes on its website the following statement (with the information in square brackets duly completed with the relevant information):</p> <p><i>“We, [specify legal name of financial intermediary], refer to the offer of a maximum of 70,000 Units Express Notes linked to BAYN GY due to August 2021 (the “Notes”) described in the Final Terms dated 29 July 2016 (the “Final Terms”) published by ING Bank N.V. (the “Issuer”). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in Italy during the Offer Period in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus), we accept the offer by the Issuer. We confirm that we are authorised under the Markets in Financial Instruments Directive to make, and are using the Base Prospectus in connection with, the Public Offer accordingly. Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus.”</i></p> <p>A “Public Offer” of Notes is an offer of Notes (other than pursuant to Article 3(2) of the Prospectus Directive) in Italy during the Offer Period specified below. Those persons to whom the Issuer gives its consent in accordance</p>

Element		
		<p>with the foregoing provisions are the “Authorised Offerors” for such Public Offer.</p> <p><i>Offer Period:</i> The Issuer’s consent referred to above is given for Public Offers of Notes during the period from 29 July 2016 to 2 August 2016 (the “Offer Period”).</p> <p><i>Conditions to consent:</i> The conditions to the Issuer’s consents (in addition to the conditions referred to above) are such that consent: (a) is only valid in respect of the relevant Tranche of Notes; (b) is only valid during the Offer Period; and (c) only extends to the use of the Base Prospectus to make Public Offers of the relevant Tranche of Notes in Italy.</p> <p>An investor intending to acquire or acquiring Notes in a Public Offer from an Authorised Offeror other than the Global Issuer will do so, and offers and sales of such Notes to an investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor, including as to price, allocations, expenses and settlement arrangements.</p> <p>Each investor must look to the relevant Authorised Offeror at the time of any such Public Offer for the provision of information regarding the terms and conditions of the Public Offer and the Authorised Offerors will be solely responsible for such information.</p>

Section B – Issuer

Element	Title	
B.1	Legal and commercial name of the Issuer	ING Bank N.V. (the “ Global Issuer ” or the “ Issuer ”).
B.2	The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation	The Global Issuer is a public limited company (<i>naamloze vennootschap</i>) incorporated under the laws of The Netherlands on 12 November 1927, with its corporate seat (<i>statutaire zetel</i>) in Amsterdam, The Netherlands.

<p>B.4b</p>	<p>A description of any known trends affecting the Issuer and the industries in which it operates</p>	<p>The results of operations of ING Bank N.V. (including ING Bank N.V., Sydney Branch) are affected by demographics and by a variety of market conditions, including economic cycles, banking industry cycles and fluctuations in stock markets, interest and foreign exchange rates, political developments and client behaviour changes.</p> <p>Macroeconomic developments in 2015</p> <p>Several interrelated themes stood out in 2015: the price of oil and other commodities, the resilience of the Chinese economy, and the timing and content of monetary policy measures in the US and the Eurozone. The oil price seemed to have reached a low early in the year and soon started to climb. But it resumed its slide in the second half of the year. This coincided with turmoil on Chinese stock markets and worldwide concerns about Chinese economic growth. These worries spread to other emerging markets. While several emerging markets did indeed see economic growth decelerate, a sharp growth slowdown in China did not materialise in 2015, thanks in part to government stimulus measures.</p> <p>Meanwhile, the US economy continued to grow at a modest pace in 2015, despite headwinds from a stronger dollar and reduced investment in the oil industry because of low oil prices. The labour market in particular did well, with unemployment falling to levels well below the long-term average. The question of when the US Federal Reserve would start raising rates was therefore a dominant theme for financial markets throughout the year. Expectations began to be tempered at mid-year when the slowdown in emerging markets sparked fears this would also take a toll on the US economy. The US economy remained strong enough however for the Federal Reserve to embark on the first rate hike in more than nine years at its December meeting.</p> <p>Eurozone developments</p> <p>In the Eurozone, 2015 saw a policy of further monetary expansion, helping to bring about a broadening of the recovery. Exports and low oil prices supported the Eurozone economy in the first half of the year, although the global slowdown started to weigh on exports towards the end of the year. The combination of low inflation and increasing employment boosted household purchasing power, fuelling consumer confidence and accelerating consumption growth.</p> <p>The Greek crisis has not materially influenced the Eurozone recovery. Within the Eurozone, Germany in particular was able to take advantage of the weaker euro by increasing its exports, offsetting deteriorating exports to emerging markets. Domestic demand in Germany developed favourably as well, helped by job creation and nominal wage growth. The French economy on the other hand appeared weaker, bogged down by falling house prices and rising unemployment. Italian domestic demand</p>
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finally began to recover in 2015 – albeit cautiously, while Spain was an outperformer on both gross domestic product (GDP) and jobs growth, thanks in part to earlier structural reforms. In the Netherlands, the revival of the housing market was the most important driver behind the pick-up in both consumption and fixed capital formation.

The weak and fragile nature of the recovery and falling inflation expectations prompted the European Central Bank (the “ECB”) to embark on quantitative easing early in 2015. This sent Eurozone bond yields to unprecedented lows in the first half of the year. German government bond yields with a duration up to nine years turned negative for a short time. Important money market rates such as three-month Euribor and six-month Euribor sank below zero. As worries about a global slowdown mounted, the ECB announced in December that it will extend its quantitative easing until March 2017, and lowered the deposit rate a further 10 basis points to -0.3%.

Lower interest rates helped shore up Eurozone credit demand. Bank lending to households accelerated modestly in 2015, while lending to businesses finally turned positive after three years of deleveraging. Marked differences between countries remain, with credit growth generally more positive in northern European countries, while still negative in southern ones.

Low interest rate environment

The current situation with persistent low interest rates may put banks’ net interest income under pressure. On mortgages for instance, ING Bank N.V. (including ING Bank N.V., Sydney Branch) could be confronted with higher than expected prepayment rates as the difference between rates on the existing mortgage portfolio and the prevailing market rate causes customers to refinance. On savings, the net interest income may decrease as possibilities for further reduction of client rates on savings deposits are limited. ING Bank N.V. (including ING Bank N.V., Sydney Branch) actively manages its interest rate risk exposure and successfully maintained the net interest margin on its core lending franchise in 2015. To address the challenge of interest income erosion, containing costs remains an important goal. ING Bank N.V. (including ING Bank N.V., Sydney Branch) is also putting more emphasis on generating fee-based income and is reassessing its product characteristics.

Progress on regulatory initiatives that are most relevant to ING Bank N.V. (including ING Bank N.V., Sydney Branch)

November 2014 marked the start of the Single Supervisory Mechanism (“SSM”), with a central role for the ECB in the prudential supervision of Eurozone banks. This was a decisive moment in the creation of the European Banking Union.

ING Bank N.V. (including ING Bank N.V., Sydney Branch) has always been a strong supporter of the SSM. As a predominantly European cross-border universal bank, ING Bank N.V. (including ING Bank N.V., Sydney Branch) has a clear interest in the proper functioning of European financial markets and in a harmonised approach to European supervision. ING Bank N.V. (including ING Bank N.V., Sydney Branch) believes that it will contribute to a more efficient use of financial funds across Europe and as such should help to foster growth prospects of the European economy.

After the first full year of operating under the new supervisory framework, banks' experiences are generally positive. The SSM aims to create the institutional conditions for overcoming fragmentation in supervisory practices. It is important that common methodologies and a shared culture are created within the SSM. That takes time. Some banks may experience challenges in the short term as they come to terms with the SSM supervisory approach. ING Bank N.V. (including ING Bank N.V., Sydney Branch) expects that the SSM will increase its transparency as the system gets embedded.

As well as the SSM, 2015 saw preparations for the Single Resolution Mechanism ("SRM"). The SRM came into force on 1 January 2016. This aims to ensure an orderly resolution process for failing banks.

With SSM and SRM, two of the three pillars of Banking Union have been established. Mutualisation of deposit guarantee schemes, the last remaining pillar, is progressing at a much slower pace. Lack of a common European deposit guarantee scheme leaves the Eurozone potentially vulnerable to bank-sovereign interdependency, despite the existence of the SSM. For national sovereigns remain, explicitly or implicitly, a liquidity provider of last resort for the deposit insurance scheme. When sovereigns get into trouble, deposit holders will worry that the national deposit guarantee scheme will be unable to meet its commitments should domestic banks fail. Greece's experience in 2015 made this clear. Capital controls had to be imposed to contain a bank run, and a euro deposited at a Greek bank was no longer de facto equal to a euro deposited at a bank in another member state.

Payment Services Directive (PSD II)

The second EU Directive on Payment Services ("PSD II") was adopted in October 2015. This aims to create an EU-wide single market for payments with a modern and comprehensive set of rules. The goal is to make cross-border payments as easy, efficient and secure as domestic payments within a member state. The PSD II also seeks to improve competition by opening up payment markets to new entrants, thus fostering greater efficiency and cost reduction. While implementation in national law could take several years, ING Bank N.V. (including ING

Bank N.V., Sydney Branch) sees the PSD II as an opportunity to develop new ways of serving its customers.

Regulatory uncertainty

The large number of new regulatory initiatives and consultations concerning banks' capitalisation continued to be a source of uncertainty in 2015. Examples are the ongoing discussions on bail-in-able instruments (MREL/ TLAC), but also discussions in the Basel Committee about the risk weighting methodology and the interest rate risk in the banking book. The main concern of ING Bank N.V. (including ING Bank N.V., Sydney Branch) is that there is insufficient overview of the combined impact of all initiatives. Moreover, it is unclear what regulatory end-state policymakers are aiming for. This regulatory uncertainty complicates multi-year strategic planning and pushes banks towards confining themselves to no-regret decisions. Also considering the competitive pressures and fast market developments outlined below, ING Bank N.V. (including ING Bank N.V., Sydney Branch) believes this piecemeal approach to regulation is not in the best interest of banks and their stakeholders.

In addition to more traditional financial-sector regulation, ING Bank N.V. (including ING Bank N.V., Sydney Branch) noticed increasing regulatory interest in environmental and human rights impacts associated with its business activities. The Dutch Government initiative to come to a Banking Sector Agreement on international responsible business conduct, building on the OECD Guidelines for Multinational Enterprises. There is a call on the part of the public for increased transparency and continuous debate on the matter in the EU Parliament. Regulators are also looking at the potential link between sustainability and financial risk. An example is the Financial Stability Board looking into potential financial risks of climate change regulation.

Competitive landscape

Technology is removing a number of the barriers to entry that once insulated the business of ING Bank N.V. (including ING Bank N.V., Sydney Branch). ING Bank N.V. (including ING Bank N.V., Sydney Branch) faces competition from many different directions, with relatively new players providing more segmented offers to its customers and clients. Technology giants, payment specialists, retailers, telecommunication companies, crowd-funding initiatives and aggregators are all encroaching on traditional banking services. The clients of ING Bank N.V. (including ING Bank N.V., Sydney Branch), in turn, are willing to consider these offers.

The banking industry is highly regulated. Banks strive to act in the interests of their customers. Safe banking requires specific knowledge of

financial services and in-depth knowledge of customers as well as rigorous risk-management systems. As competition from outside the banking sector continues to increase, ING Bank N.V. (including ING Bank N.V., Sydney Branch) has to become faster, more agile and more innovative. ING Bank N.V. (including ING Bank N.V., Sydney Branch) believes that its long track record as a financial institution and a strong brand give it a strong platform from which to face existing and future challenges and become a better company for all its stakeholders. ING Bank N.V. (including ING Bank N.V., Sydney Branch) is a leader in digital banking, and it has scale combined with local market expertise. It is investing in building profitable, mutually beneficial relationships with its customers, based on the quality of its service and a differentiating customer experience. An example is the strategic partnership of ING Bank N.V. (including ING Bank N.V., Sydney Branch) with Kabbage. Together, they have launched a pilot project in Spain, offering small and medium-sized enterprises (SMEs) loans up to EUR 100,000. Kabbage's automated loan application and approval process is both accelerated and simple for customers. It makes use of full credit scoring and real-time risk monitoring and allows SMEs with an existing business account to get a loan within ten minutes, based on real-time business data.

Fluctuations in equity markets

The operations of ING Bank N.V. (including ING Bank N.V., Sydney Branch) are exposed to fluctuations in equity markets. ING Bank N.V. (including ING Bank N.V., Sydney Branch) maintains an internationally diversified and mainly client-related trading portfolio. Accordingly, market downturns are likely to lead to declines in securities trading and brokerage activities which it executes for customers and, therefore, to a decline in related commissions and trading results. In addition to this, ING Bank N.V. (including ING Bank N.V., Sydney Branch) also maintains equity investments in its own non-trading books. Fluctuations in equity markets may affect the value of these investments.

Fluctuations in interest rates

The operations of ING Bank N.V. (including ING Bank N.V., Sydney Branch) are exposed to fluctuations in interest rates. Mismatches in the interest repricing and maturity profile of assets and liabilities in the balance sheet of ING Bank N.V. (including ING Bank N.V., Sydney Branch) can affect the future interest earnings and economic value of the underlying banking operations of ING Bank N.V. (including ING Bank N.V., Sydney Branch). In addition, changing interest rates may impact the (assumed) behaviour of customers, impacting the interest rate exposure, interest hedge positions and future interest earnings, the solvency and economic value of the underlying banking operations of ING Bank N.V. (including ING Bank N.V., Sydney Branch). In the current low (and potentially negative) interest rate environment in the Eurozone, the stability of future interest earnings and margin also depends on the ability

Element	Title																
		<p>to actively manage pricing of customer assets and liabilities. Especially, the pricing of customer savings portfolios in relation to repricing customer assets and other investments in the balance sheet is a key factor in the management of the interest earnings of ING Bank N.V. (including ING Bank N.V., Sydney Branch).</p> <p>Fluctuations in exchange rates</p> <p>ING Bank N.V. (including ING Bank N.V., Sydney Branch) is exposed to fluctuations in exchange rates. The management by ING Bank N.V. (including ING Bank N.V., Sydney Branch) of exchange rate sensitivity affects the results of its operations through the trading activities for its own account and because it prepares and publishes its consolidated financial statements in euros. Because a substantial portion of the income and expenses of ING Bank N.V. (including ING Bank N.V., Sydney Branch) is denominated in currencies other than euros, fluctuations in the exchange rates used to translate foreign currencies into euros will impact its reported results of operations and cash flows from year to year. This exposure is mitigated by the fact that realised results in non-euro currencies are translated into euro by monthly hedging.</p>															
B.5	A description of the Issuer’s group and the Issuer’s position within the group	The Global Issuer is part of ING Groep N.V. (“ ING Group ”). ING Group is the holding company of a broad spectrum of companies (together called “ ING ”) offering banking services to meet the needs of a broad customer base. The Global Issuer is a wholly-owned, non-listed subsidiary of ING Group and currently offers retail banking services to individuals and small and medium-sized enterprises and mid-corporates in Europe, Asia and Australia and commercial banking services to customers around the world, including multinational corporations, governments, financial institutions and supranational organisations.															
B.9	Profit forecast or estimate	Not Applicable. The Global Issuer has not made any public profit forecasts or profit estimates.															
B.10	Qualifications in the Auditors’ report	Not Applicable. The audit reports on the audited financial statements of the Global Issuer for the years ended 31 December 2014 and 31 December 2015 are unqualified.															
B.12	Selected historical key financial information/Significant or material adverse change	<p>Key Consolidated Figures ING Bank N.V.⁽¹⁾</p> <table border="1"> <thead> <tr> <th data-bbox="592 1626 1043 1659">(EUR millions)</th> <th data-bbox="1043 1626 1230 1659">2015</th> <th data-bbox="1230 1626 1402 1659">2014</th> </tr> </thead> <tbody> <tr> <td data-bbox="592 1671 1043 1704">Balance sheet ⁽²⁾</td> <td data-bbox="1043 1671 1230 1704"></td> <td data-bbox="1230 1671 1402 1704"></td> </tr> <tr> <td data-bbox="592 1715 1043 1827">Total assets</td> <td data-bbox="1043 1715 1230 1827">838,528</td> <td data-bbox="1230 1715 1402 1827">828,602</td> </tr> <tr> <td data-bbox="592 1839 1043 1951">Total equity</td> <td data-bbox="1043 1839 1230 1951">41,495</td> <td data-bbox="1230 1839 1402 1951">38,686</td> </tr> <tr> <td data-bbox="592 1962 1043 2022">Deposits and funds borrowed ⁽³⁾</td> <td data-bbox="1043 1962 1230 2022">660,104</td> <td data-bbox="1230 1962 1402 2022">640,243</td> </tr> </tbody> </table>	(EUR millions)	2015	2014	Balance sheet ⁽²⁾			Total assets	838,528	828,602	Total equity	41,495	38,686	Deposits and funds borrowed ⁽³⁾	660,104	640,243
(EUR millions)	2015	2014															
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Element	Title		
		
		
	Loans and advances	536,543	518,119
		
	Results ⁽⁴⁾		
	Total income	17,070	15,674
		
	Operating expenses	9,308	10,225
		
	Additions to loan loss provisions	1,347	1,594
		
	Result before tax	6,415	3,855
		
	Taxation	1,684	1,032
		
	Net result (before minority interests)	4,731	2,823
		
	Attributable to Shareholders of the parent	4,659	2,744
		
	Ratios (in %)		
	BIS ratio ⁽⁵⁾	16.04	15.52
		
	Tier-1 ratio ⁽⁶⁾	13.43	12.51
		
	Notes:		
	(1) These figures have been derived from the audited annual accounts of ING Bank N.V. in respect of the financial years ended 31 December 2015 and 2014, respectively.		
	(2) At 31 December.		
	(3) Figures including Banks and Debt securities.		
	(4) For the year ended 31 December.		
	(5) BIS ratio = BIS capital as a percentage of Risk Weighted Assets. Note: As of 2014, these Risk Weighted Assets are based on Basel III phased in.		

Element	Title	
		(6) Tier-1 ratio = Available Tier-1 capital as a percentage of Risk Weighted Assets. Note: As of 2014, these Risk Weighted Assets are based on Basel III phased in.
		<i>Significant or Material Adverse Change</i> At the date hereof, there has been no significant change in the financial position of ING Bank N.V. and its consolidated subsidiaries since 31 December 2015. At the date hereof, there has been no material adverse change in the prospects of ING Bank N.V. since 31 December 2015.
B.13	Recent material events particular to the Issuer's solvency	Not Applicable. There are no recent events particular to the Global Issuer which are to a material extent relevant to the evaluation of the Global Issuer's solvency.
B.14	Dependence upon other group entities	The description of the group and the position of the Global Issuer within the group is given under B.5 above. Not applicable. The Global Issuer is not dependent upon other entities within ING Group.
B.15	A description of the Issuer's principal activities	The Global Issuer currently offers Retail Banking services to individuals and small and medium-sized enterprises in Europe, Asia and Australia and wholesale banking services to customers around the world, including multinational corporations, governments, financial institutions and supranational organisations.
B.16	Extent to which the Issuer is directly or indirectly owned or controlled	The Global Issuer is a wholly-owned, non-listed subsidiary of ING Groep N.V.
B.17	Credit ratings assigned to the Issuer or its securities	The Notes to be issued are not rated. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Section C – Securities

Element	Title	
C.1	A description of the type and class of securities being offered and/or admitted to trading, including any security identification number	

Element	Title	
		<p>Series Number: 7347</p> <p>Tranche Number: 1</p> <p>Aggregate Nominal Amount: A maximum of 70,000 Units</p> <p>Issue Price: EUR 100 per Unit</p> <p>Specified Denomination: 1 Unit per Note</p> <p>Calculation Amount: EUR 100</p> <p>CA Factor: 1</p> <p>Form of Notes: Bearer Notes (Italian Certificates)</p> <p>ISIN Code: XS1453567502</p> <p>Common Code: 145356750</p>
C.2	Currency of the securities issue	The Notes are denominated in EUR.
C.5	A description of any restrictions on the free transferability of the securities	<p>The Global Issuer and the Authorised Offerors have agreed certain customary restrictions on offers, sale and delivery of Notes and of the distribution of offering material in the United States, the European Economic Area, Australia, Brazil, Bulgaria, Canada, the Cayman Islands, Chile, the Czech Republic, Finland, France, Hong Kong, Hungary, India, Italy, Ireland, Japan, Malaysia, Mexico, The Netherlands, Panama, the People’s Republic of China, Republic of Korea, the Republic of the Philippines, Romania, Russia, Singapore, Slovakia, Spain, Sweden, Switzerland, Taiwan, Turkey, the United Kingdom, Uruguay and Venezuela.</p> <p>Reg. S Compliance Category 2.</p> <p>TEFRA D rules are applicable</p>
C.8	A description of rights attached to the Notes, including ranking and any limitations to those rights	<p>Please also refer to C.9 below.</p> <p><i>Status</i></p> <p>The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Global Issuer and will rank <i>pari passu</i> among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Global Issuer from time to time outstanding.</p> <p><i>Taxation</i></p> <p>The Notes will not contain any provision that would oblige the Global Issuer to gross up any amounts payable in respect of interest or principal in the event of any withholding or deduction for or on account of taxes levied in any jurisdiction. The Global Issuer may also elect to redeem Notes if it would be required, on the occasion of the next payment due in respect of the Notes, to withhold or account for tax in respect of the Notes.</p> <p><i>Negative pledge</i></p> <p>The terms of the Notes do not contain a negative pledge provision.</p>

Element	Title	
		<p><i>Events of Default</i></p> <p>The terms of the Notes contain, amongst others, the following events of default (“Events of Default”):</p> <p>(i) default is made for more than 30 days in the payment of interest or principal in respect of the Notes; or</p>
		<p>(ii) the Global Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 60 days next following the service on the Global Issuer of notice requiring the same to be remedied; or</p> <p>(iii) the Global Issuer is declared bankrupt (<i>failliet verklaard</i>) or granted a moratorium (<i>surseance van betaling</i>); or</p> <p>(iv) a declaration in respect of the Global Issuer is made to apply the emergency regulation (<i>noodregeling</i>) under Chapter 3, Section 3.5.5.1 of the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>); or</p> <p>(v) an order is made or an effective resolution is passed for the winding-up or liquidation of the Global Issuer unless this is done in connection with a merger, consolidation or other form of combination with another company, the terms of which merger, consolidation or combination (A) have the effect of the emerging or such other surviving company assuming all obligations contracted for by the Global Issuer in connection with the Notes or (B) have previously been approved by an Extraordinary Resolution of the holders of the Notes.</p> <p><i>Meetings and written resolutions</i></p> <p>The conditions of the Notes contain provisions for calling meetings of holders of the Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. Actions may also be taken by means of written resolution.</p> <p><i>Governing law</i></p> <p>The Notes will be governed by, and construed in accordance with, English law.</p>

<p>C.9</p>	<p>Interest: The nominal interest rate, the date from which interest becomes payable and the due dates for interest, a description of the underlying on which it is based, the maturity date and arrangements for amortisation including repayment procedures, an indication of yield and the name of the representative of debt security holders</p>	<p>Interest</p> <p>The Notes will bear interest from their date of issue at a variable rate calculated as (i) if the Interest Payment Date(t) is the first Interest Payment Date(t), (a) in circumstances where the Observation Share Price(t) is greater than or equal to the Coupon Barrier(t), the Rate of Interest(1); or (b) in circumstances where the Observation Share Price(t) is not greater than or equal to the Coupon Barrier(t), zero %; or (ii) if the Interest Payment Date(t) is not the first Interest Payment Date(t), (a) in circumstances where the Observation Share Price(t) is greater than or equal to the Coupon Barrier(t), (1) the product of (I) the Memory and (II) the number of Interest Payment Date(t)s from and including the date of issue to and including such Interest Payment Date(t) less (2) the sum of the rate of interest in respect of each Interest Payment Date(t) from the date of issue to the preceding Interest Payment Date(t); or (b) in circumstances where the Observation Share Price(t) is not greater than or equal to the Coupon Barrier(t), zero %.</p> <p>The Observation Share Price(t) represents, in respect of the Share and an Interest Payment Date(t), the price of such Share at the Specified Time on the relevant Coupon Observation Date(t).</p> <p>The Specified Time will be the Valuation Time.</p> <p>The Valuation Time will be the scheduled weekday closing time of the relevant stock exchange in respect of the Share on the relevant date (subject to adjustment for early closing).</p> <p>Interest will be paid in arrear on each Interest Payment Date(t) to (and including) 5 August 2021, subject to adjustment for non-business days.</p> <p>The Interest Period(t), the Interest Payment Date(t)s to (and including) 5 August 2021, the Rate of Interest(1), the Coupon Barrier(t), the Coupon Observation Date(t), the Memory and the Strike Date are specified in the table below:</p> <table border="1" data-bbox="608 1310 1348 1758"> <thead> <tr> <th>Interest Period(t)</th> <th>Coupon Observation Date(t)</th> <th>Interest Payment Date(t)s to (and including)</th> </tr> </thead> <tbody> <tr> <td>t = 1</td> <td>31 July 2017</td> <td>7 August 2017</td> </tr> <tr> <td>t = 2</td> <td>30 July 2018</td> <td>6 August 2018</td> </tr> <tr> <td>t = 3</td> <td>29 July 2019</td> <td>5 August 2019</td> </tr> <tr> <td>t = 4</td> <td>29 July 2020</td> <td>5 August 2020</td> </tr> <tr> <td>t = 5</td> <td>29 July 2021</td> <td>5 August 2021</td> </tr> </tbody> </table> <table border="1" data-bbox="608 1809 992 1951"> <thead> <tr> <th>Coupon Barrier(t)</th> </tr> </thead> <tbody> <tr> <td>t = 1 to 5, 100% of the Initial Share Price</td> </tr> </tbody> </table>	Interest Period(t)	Coupon Observation Date(t)	Interest Payment Date(t)s to (and including)	t = 1	31 July 2017	7 August 2017	t = 2	30 July 2018	6 August 2018	t = 3	29 July 2019	5 August 2019	t = 4	29 July 2020	5 August 2020	t = 5	29 July 2021	5 August 2021	Coupon Barrier(t)	t = 1 to 5, 100% of the Initial Share Price
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Element	Title																	
		Strike Date	Memory	Rate of Interest(1)														
		5 August 2016	9.25%	9.25%														
	Redemption: The maturity date, amortisation and repayment procedures	<p>Redemption The Notes cannot be redeemed prior to their stated maturity (other than following (i) an Automatic Early Redemption (as defined below), (ii) an Event of Default (as defined herein) or (iii) for taxation reasons).</p> <p><i>Automatic Early Redemption</i> Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date(t) the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date(t) immediately following such Automatic Early Redemption Valuation Date(t) and in any such case the final redemption amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount(t). The Automatic Early Redemption Event shall occur where the price of the Share at the Specified Time is greater than or equal to the Automatic Early Redemption Price(t). The Specified Time will be the Valuation Time. The Valuation Time will be the scheduled weekday closing time of the relevant stock exchange in respect of the Share on the relevant date (subject to adjustment for early closing). The Automatic Early Redemption Valuation Date(t), Automatic Early Redemption Date(t), Automatic Early Redemption Price(t) and Automatic Early Redemption Amount(t) are specified in the table below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #cccccc;">Automatic Early Redemption Valuation Date(t)</th> <th style="background-color: #cccccc;">Automatic Early Redemption Date(t)</th> </tr> </thead> <tbody> <tr> <td>31 July 2017</td> <td>7 August 2017</td> </tr> <tr> <td>30 July 2018</td> <td>6 August 2018</td> </tr> <tr> <td>29 July 2019</td> <td>5 August 2019</td> </tr> <tr> <td>29 July 2020</td> <td>5 August 2020</td> </tr> </tbody> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #cccccc;">Automatic Early Redemption Amount(t)</th> <th style="background-color: #cccccc;">Automatic Early Redemption Price(t)</th> </tr> </thead> <tbody> <tr> <td>CA × CA Factor × 100%</td> <td>Initial Share Price</td> </tr> </tbody> </table>			Automatic Early Redemption Valuation Date(t)	Automatic Early Redemption Date(t)	31 July 2017	7 August 2017	30 July 2018	6 August 2018	29 July 2019	5 August 2019	29 July 2020	5 August 2020	Automatic Early Redemption Amount(t)	Automatic Early Redemption Price(t)	CA × CA Factor × 100%	Initial Share Price
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Automatic Early Redemption Amount(t)	Automatic Early Redemption Price(t)																	
CA × CA Factor × 100%	Initial Share Price																	

Element	Title	
	Representative of the debt security holders	Not Applicable
C.10	If the security has a derivative component in the interest payment, an explanation of how the value of the investment is affected by the value of the underlying instrument	The return on, and value of, the Notes is linked to the price of a share. In addition, interest payments are calculated by reference to the price of a share. Please see C.9 and C.18 below for further details.
C.11	Application for admission to trading and distribution in a regulated market	Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Italian Stock Exchange SeDeX within the Issue Date. The validity of the offer is conditional upon the admission to trading of the Italian Certificate on or before the Issue Date.
C.15	Description of how the value of your investment is affected by the value of the underlying assets	Please see C.9 above and C.18 below.
C.16	The expiration or maturity date of the securities	Subject to compliance with all relevant laws, regulations and directives, the redemption date of the Notes is 5 August 2021.
C.17	A description of the settlement procedures of the securities	The Notes will be cash settled on 9 August 2016. The Notes will be delivered on 9 August 2016 against payment of the issue price of the Notes. Settlement procedures will vary depending on the clearing system for the Securities and local practices in the jurisdiction of the investor. The Notes are cleared through Euroclear.
C.18	A description of how the procedure on return on derivative securities takes place	The value of the underlying to which the Notes are linked will affect the interest paid and the amount paid on the redemption date. Express Redemption The Final Redemption Amount applicable to each Note will be calculated as: (i) if no Redemption Barrier Event has occurred, the product of: (a) the Calculation Amount; (b) the CA Factor; and (c) 100%; or (ii) if a Redemption Barrier Event has occurred: (a) if, , the Final Share Price is greater than or equal to the Strike Price, the product of: (1) the Calculation Amount; (2) the CA Factor; and (3) 100%; or (b) if, , the Final Share Price is not greater than or equal to the Strike Price, the product of: (1) the Calculation Amount; (2) the CA Factor; and (3) the sum of (I) 100% and (II) the product of the Leverage Put and the Performance. A Redemption Barrier Event will occur if the Calculation Agent determines that on any Redemption Barrier Event Determination Day the price of the Share at the Specified Time is less than the Redemption Barrier(knock-in). A Redemption Barrier Event Determination Day will be each day specified

Element	Title													
		<p>below as a Redemption Barrier Event Determination Day. The Redemption Barrier(knock-in) represents the product of (i) the Redemption Barrier(knock-in) Percentage and (ii) the Initial Share Price.</p> <p>The CA Factor will be one.</p> <p>The Performance will be calculated as the quotient of: (i) (a) the Final Share Price less (b) the Strike Price; and (ii) the Initial Share Price, as multiplied by 100%. The Final Share Price represents the price of the Share at the Valuation Time on the Valuation Date, as determined by the Calculation Agent. The Initial Share Price represents the price of the Share at the Valuation Time on the Strike Date. The Strike Price represents the product of: (i) the Strike Price Percentage; and (ii) the Initial Share Price.</p> <p>The Initial Share Price represents the price of the Share at the Valuation Time on the Strike Date.</p> <p>The Valuation Time will be the scheduled weekday closing time of the relevant stock exchange in respect of the Share on the relevant date (subject to adjustment for early closing).</p> <p>The Specified Time will be the Valuation Time.</p> <p>The Strike Price Percentage, Valuation Date, Strike Date, Leverage Put, Redemption Barrier Event Determination Day(s), and Redemption Barrier(knock-in) Percentage are specified in the table below:</p> <table border="1" data-bbox="609 1137 1375 1272"> <thead> <tr> <th data-bbox="609 1137 865 1227">Strike Price Percentage</th> <th data-bbox="865 1137 1120 1227">Valuation Date</th> <th data-bbox="1120 1137 1375 1227">Strike Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="609 1227 865 1272">100%</td> <td data-bbox="865 1227 1120 1272">29 July 2021</td> <td data-bbox="1120 1227 1375 1272">5 August 2016</td> </tr> </tbody> </table> <table border="1" data-bbox="609 1384 1449 1585"> <thead> <tr> <th data-bbox="609 1384 874 1507">Leverage Put</th> <th data-bbox="874 1384 1161 1507">Redemption Barrier Event Determination Day(s)</th> <th data-bbox="1161 1384 1449 1507">Redemption Barrier(knock-in) Percentage</th> </tr> </thead> <tbody> <tr> <td data-bbox="609 1507 874 1585">100%</td> <td data-bbox="874 1507 1161 1585">Valuation Date</td> <td data-bbox="1161 1507 1449 1585">70.00%</td> </tr> </tbody> </table>	Strike Price Percentage	Valuation Date	Strike Date	100%	29 July 2021	5 August 2016	Leverage Put	Redemption Barrier Event Determination Day(s)	Redemption Barrier(knock-in) Percentage	100%	Valuation Date	70.00%
Strike Price Percentage	Valuation Date	Strike Date												
100%	29 July 2021	5 August 2016												
Leverage Put	Redemption Barrier Event Determination Day(s)	Redemption Barrier(knock-in) Percentage												
100%	Valuation Date	70.00%												
C.19	Final reference price of the underlying	The final value of the share is calculated by looking at the price of the share at the relevant time on the Valuation Date, as calculated by the Calculation Agent.												
C.20	A description of the type of the underlying and where information on the underlying can be found	<p>The redemption amount in relation to the Notes is linked to a share Information in relation to the share (Bayer AG) can be found at:</p> <p style="padding-left: 40px;">www.intesasanpaolo.com and on www.bloomberg.com (Bloomberg code: BAYN GY <Equity>)</p>												

Element	Title	
C.21	Indication of the market where the Notes will be traded and for which prospectus has been prepared	Please see C.11 above.

Section D – Risks

Element	Title	
D.2	Key information on key risks that are specific to the Issuer or its industry	<p>Because the Global Issuer is part of a financial services company conducting business on a global basis, the revenues and earnings of the Global Issuer are affected by the volatility and strength of the economic, business, liquidity, funding and capital markets environments specific to the geographic regions in which it conducts business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect, the profitability, solvency and liquidity of the business of the Global Issuer. The Global Issuer has identified a number of specific factors which could adversely affect its business and ability to make payments due under the Notes. These factors include:</p> <ul style="list-style-type: none"> • adverse capital and credit market conditions • the default of a major market participant • changes in financial services laws and/or regulations • continued risk of resurgence of turbulence and ongoing volatility in the financial markets and the economy generally • inability to increase or maintain market share • inability of counterparties to meet their financial obligations • market conditions and increased risk of loan impairments • interest rate volatility and other interest rate changes • failures of banks falling under the scope of state compensation schemes • negative effects of inflation and deflation • inability to manage risks successfully through derivatives • inability to retain key personnel • inability to protect intellectual property and possibility of being subject to infringement claims • deficiencies in assumptions used to model client behaviour for market risk calculations • liabilities incurred in respect of defined benefit retirement plans • inadequacy of risk management policies and guidelines • regulatory risk • claims from customers who feel misled or treated unfairly • ratings downgrades or potential downgrades • operational risks such as systems disruptions or failures, breaches of security, cyber attacks, human error, changes in operational practices or inadequate controls • adverse publicity, claims and allegations, litigation and regulatory investigation and sanctions
D.3	Key information on the key risks	<p>The following key risks may arise in relation to the Notes: (a) the value of the Notes and any interest or principal repayment in relation to them may be affected by, but may not necessarily correlate to, movements and</p>

Element	Title	
	that are specific to the Notes	fluctuations in market interest rates and the price of a share or component in an underlying basket of shares; (b) the Global Issuer may enter into activities that present conflicts of interest and adversely affect the value of the Notes; (c) the timing of changes in share prices may impact the yield on the Notes and (d) the Global Issuer may have the option to redeem the Notes early, which may affect their value in the secondary market.
		In addition, the following key risks may arise which may adversely affect the interest amount and/or redemption amount payable or deliverable in relation to the Notes (as applicable): the Notes are not principal protected. Furthermore, the terms of the Notes provide that: (a) the interest amount and the redemption amount will be determined by reference to specified preconditions and (b) the interest amount and the redemption amount are linked to the performance of a share.
D.6	Risk warning that investors may lose value of entire investment or part of it	The capital invested in the Notes is at risk. Consequently, the amount a prospective investor may receive on redemption of its Notes may be less than the amount invested by it and may be zero. Investors may lose up to the entire value of their investment if (a) the investor sells their Notes prior to the scheduled redemption in the secondary market at an amount that is less than the initial purchase price; (b) the Global Issuer is subject to insolvency or bankruptcy proceedings or some other event which negatively affects the Global Issuer's ability to repay amounts due under the Notes; (c) the Notes are redeemed early for reasons beyond the control of the Global Issuer (such as a change of applicable law or market event in relation to the underlying asset(s)) and the amount paid or delivered is less than the initial purchase price; and/or (d) the Notes are subject to certain adjustments or alternative valuations following certain disruptive market events that result in the amount to be paid or delivered being reduced to an amount or value that is less than the initial purchase price; and/or (e) the payout conditions do not provide for full repayment of the initial purchase price upon redemption or specified early redemption if the underlying asset(s) perform(s) in such a manner that the amount due under the Notes is less than the initial purchase price.

Section E – Offer

Element	Title	
E.2b	Reasons for the offer and the use of proceeds when different from making profit and/or hedging risk	The net proceeds from each issue of Notes will be applied by the Global Issuer for its general corporate purposes.

Element	Title	
E.3	Terms and conditions of the offer	<p>(i) Conditions to which the offer is subject: Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.</p> <p>(ii) Description of the application process: A prospective Noteholder should contact the applicable Authorised Offeror in the Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.</p> <p>(iii) Description of possibility to reduce subscriptions: Not Applicable. The terms of the Public Offer do not provide for any reduction of subscriptions. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the issue date</p> <p>(iv) Manner for refunding excess amount paid by applicants: Not Applicable. The terms of the Public Offer do not provide for any refunds of excess amounts paid by applicants.</p> <p>(v) Minimum and/or maximum amount of application: There are no pre-identified allotment criteria. The Authorised Offerors will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.</p> <p>(vi) Method and time limit for paying up the securities and for delivery of the Notes: Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof. The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.</p> <p>(vii) Manner and date on which results of the offer are to be made public: Investors will be notified by the Issuer or any applicable Authorised Offeror of their allocations of Notes and the settlement procedures in respect thereof.</p> <p>(viii) Procedure for exercise of any right of pre-emption, the negotiability of</p>

Element	Title	
		<p>subscription rights and the treatment of subscription rights not exercised:</p> <p>(ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: Offers may be made by the Authorised Offerors in the Public Offer Jurisdiction to any person during the Offer Period. In other European Economic Area countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made by the Issuer pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations.</p> <p>(x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: A prospective Noteholder may not be allocated all of the Notes for which they apply during the Offer Period. Prospective Noteholders will be notified by the applicable Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders. No dealings in the Notes on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date.</p> <p>(xi) Amount of any expenses and taxes specifically charged to the subscriber or purchasers: Not Applicable. The terms of the Public Offer do not provide for any expenses and/or taxes to be charged to any subscriber and/or purchaser of the Notes.</p>
E.4	Interest of natural and legal persons involved in the issue/offer	Save for any fees payable to any relevant Authorised Offeror, so far as the Issuer is aware, no person involved in the issue of the Notes will have an interest material to the offer. The Authorised Offerors and their affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.
E.7	Estimated expenses charged to the investor by the Issuer or the offeror	Not Applicable.